



Franbo Lines Corp.

2025 Annual Shareholders' Meeting

Meeting Handbook

(Translation)

Time: June 5, 2025 (Thursday) at 9:00 a.m.

Location: 3F, No. 31, Haibian Rd., Lingya Dist., Kaohsiung 802, Taiwan.(R.O.C)

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This is a translation of the handbook for the 2025 annual shareholders' meeting (the "handbook") of Franbo Lines Corp. (the "company"). This translation is intended for reference only and nothing else, the company hereby disclaims any and all liabilities whatsoever for the translation. The chinese text of the handbook shall govern any and all matters related to the interpretation of the subject matter stated herein.



Franbo Lines Corp. (the “Company”)
2025 Annual Meeting of Shareholders

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Franbo Lines Corp.

Meeting Procedures for the 2025 Annual Meeting of Shareholders

1. Call the Meeting to Order
2. Chairman's Address
3. Report Items
4. Ratification and Discussion Items
5. Extraordinary Motions
6. Meeting Adjournment



Franbo Lines Corp.

Agenda for 2025 Annual Meeting of Shareholders

1.Time: June 5, 2025 (Thursday) at 9:00 a.m.

2.Location: 3F, No. 31, Haibian Rd., Lingya Dist., Kaohsiung 802, Taiwan.(R.O.C)

3.Shareholders' meeting will be held by physical meeting

4.Chairman's Address

5.Report Items

- (1)Business Report of the year 2024.
- (2)Audit Committee's Review Report of the year 2024.
- (3)2024 Employees' Compensation, and Remuneration of Directors report.
- (4)Report on directors' remuneration collection in 2024.
- (5)2024 Earnings Distribution of Cash Dividend.
- (6)Report on the Endorsements and Guarantees & Loaning of Funds to Others Parties.
- (7)Report on the Issuance of Domestic Corporate Bonds.

6.Ratification and Discussion Items

- (1)To ratify the Business Report and Financial Statements for 2024.
- (2)To ratify the Proposal for Distribution of 2024 Profits.
- (3)To Amend the Articles of Incorporation.
- (4)To Amend the Procedures Governing Endorsements / Guarantees.
- (5)To Amend the Procedures for Lending Funds to Others.
- (6)To Amend the Procedures for Asset Acquisition & Disposal.

7.Extempore Motion

8. Meeting Adjournment

Report Items

1. Business Report of the year 2024.

Explanation:

Please refer to Attachment 1 of this handbook for the 2024 Business Report.

2. Audit Committee's Review Report of the year 2024.

Explanation:

Please refer to Attachment 4 of this handbook for the Audit Committee's Review Report.

3. 2024 Employees' Compensation, and Remuneration of Directors report.

Explanation:

- (1) According to the company's articles of association, the company shall distribute no less than one percent of employee remuneration and no more than five percent of directors' remuneration based on the current year's profit.
- (2) The company distributed employee remuneration and director remuneration in cash in 2024 which was reviewed and approved by the board of directors on March 11, 2025. The distribution situation is as follows:

Century: NTD

	Provision ratio	Actual allotment amount	Estimated amount for 2024	differests	Note
Employees' Compensation	1.0155%	6,300,000	6,300,000	-	
Remuneration of Directors	1.0155%	6,300,000	6,300,000	-	

4. Report on directors' remuneration collection in 2024.

Explanation:

- (1) The remuneration of the company's chairman, directors and independent directors is based on the evaluation results of the "Director Performance Evaluation Method", based on their participation in the company's operations and the value of their contribution, and with reference to domestic and foreign industry standards, and is reported to the Salary and Remuneration Committee. Cases are reviewed and sent to the board of directors for review and approval of the total amount to be issued.
- (2) The remuneration received by the directors of the Company is as follows:

Unit: NT\$ thousand; Thousand shares;

Title	Name	Directors' remuneration								A+B+C+D as a percentage of net income after tax		Remuneration from concurrent positions as employees								A+B+C+D+E+F + G as a percentage of net income after tax		Compensation received from Non-Consolidated affiliates of Parent Company
		Remuneration (A)		Pension (B)		Remuneration to directors(C)		Allowances (D)				Salaries, Bonuses and allowances (E)		Pension (F)		Profit distribution for employee compensation (G)						
		The company	Consolidated Entities	The company	Consolidated Entities	The company	Consolidated Entities	The company	Consolidated Entities	The company	Consolidated Entities	The company	Consolidated Entities	The company	Consolidated Entities	Franbo		Consolidated Entities		Franbo	Consolidated Entities	
																cash	stock	cash	stock			
Chairman	Prosperity Investment and Consulting Co., Ltd. Representative: Pang Chuan, Tsai	120	120	-	-	1,260	1,260	24	24	0.24%	0.24%	3,295	3,295	-	-	585	-	585	-	0.90%	0.90%	-
Director	Prosperity Investment and Consulting Co., Ltd. Representative: Ching-Chuang, Tsai	120	120	-	-	1,260	1,260	18	18	0.24%	0.24%	2,188	2,188	86	86	457	-	457	-	0.71%	0.71%	-
Director	Yi-Wen, Shen	120	120	-	-	630	630	24	24	0.13%	0.13%	-	-	-	-	-	-	-	-	0.13%	0.13%	-
Director	Chun Yu, Lo	120	120	-	-	630	630	24	24	0.13%	0.13%	-	-	-	-	-	-	-	-	0.13%	0.13%	-
Independent Director	Shu-Yang, Yen	120	120	-	-	630	630	39	39	0.13%	0.13%	-	-	-	-	-	-	-	-	0.13%	0.13%	-
Independent Director	Tian-Ming, Wu,	120	120	-	-	630	630	36	36	0.13%	0.13%	-	-	-	-	-	-	-	-	0.13%	0.13%	-
Independent Director	Rong-Qin, Liu	120	120	-	-	630	630	39	39	0.13%	0.13%	-	-	-	-	-	-	-	-	0.13%	0.13%	-
Independent Director	Shih-Chuan, Lin	120	120	-	-	630	630	24	24	0.13%	0.13%	-	-	-	-	-	-	-	-	0.13%	0.13%	-

5.2024 Earnings Distribution of Cash Dividend

Explanation:

- (1) According to Article 20 of the Articles of Association of the Company, all or part of the dividends and bonuses shall be distributed in the form of cash. The board of directors shall be authorized to make a resolution and report to the shareholders' meeting.
- (2) On March 11, 2025, the company's board of directors resolved to allocate a cash dividend of NT\$156,271,248. Calculated based on the shares held by shareholders listed in the shareholder list on the ex-dividend base date, the cash dividend was NT\$0.5 per share and calculated to the nearest dollar (If the amount is less than one yuan, the total amount is included in the company's other income. The chairman of the board of directors is also authorized to set another ex-dividend base date, payout date and other related matters, and announce them in accordance with the law.
- (3) If the dividend distribution is subsequently changed due to changes in the company's share capital, which affects the number of outstanding shares and causes a change in the dividend rate, the chairman shall be authorized to handle it with full authority in accordance with the Company Law or its relevant laws and regulations.

6.Implementation of Endorsements and Guarantees & Loaning of Funds to Others Parties.

Explanation:

- (1) As of December 31, 2024, the guaranteed amount endorsed by the company is as follows:

Unit: NT\$ thousand;

Endorsement Guarantor	Endorsement Guarantor Company Name	Endorsement guarantee object relationship with the company	Endorsement guarantee amount	Actual Endorsement guarantee amount	Endorsement Guarantee Reason
Franbo Lines Corp.	Franbo Ace Limited	100% Subsidiary	565,628	565,628	Ship Loan
	Franbo Art Limited		565,628	565,628	Ship Loan
	Franbo Cosmos Limited		583,662	583,662	Ship Loan
	Franbo Century Limited		782,042	585,302	Ship Loan
	Franbo Brave Limited		615,698	615,698	Ship Loan
	Franbo Bravo Limited		615,698	615,698	Ship Loan
	Franbo Wealth Shipping Limited		440,239	440,239	Ship Loan
	Franbo Charity S.A.		440,239	-	Ship Loan
	Franbo Monica Shipping Limited		440,239	-	Ship Loan
	Franbo Sino Limited		440,239	440,239	Ship Loan
	TW Hornbill Line S.A.		298,389	-	Ship Loan
	Franbo Way Limited		298,389	-	Ship Loan
	FB Navigation Limited		275,436	-	Ship Loan
	New Lucky Lines S.A.		65,580	-	Short-term loans
Total			6,427,106	4,412,094	
FB Propriety Construction and Development Co., Ltd.	Franbo Lines Corp.	100% Parent company	210,000	210,000	Short-term loans
Total			210,000	210,000	

Note 1: The total amount of endorsements and guarantees given by the Company, New Lucky Lines S.A. and Uni-Morality Lines Ltd. to a single affiliated company shall not exceed 100% of the company's net worth. The remaining group subsidiaries shall not exceed 400% of the company's net worth.

Note 2: The total amount of endorsement guarantees of the company and its group subsidiaries, except New Lucky Lines S.A. and Uni-Morality Lines Ltd., which shall not exceed 200% and 300% of the company's net worth respectively, the company and the other group subsidiaries shall not exceed 500% of the company's net worth.

(2)As of December 31, 2024, the amount of funds loaned by the company to others is as follows:

Unit: NT\$ thousand

Lending company name	Fund loan and object	relationship	Fund loan and reason	Ending balance	Actual amount
Franbo Lines Corp.	Franbo Asset Management Co., Ltd.	100% subsidiary	working capital	150,000	53,000
	FB Propriety Construction and Development Co., Ltd.		working capital	20,000	-
	FB Integrity Real Estate Development Co., Ltd.		working capital	20,000	-
New Lucky Lines S.A.	Franbo Lines Corp.	100% parent company	working capital	98,370	-
	Franbo Lohas S.A.	100% subsidiary	working capital	65,580	25,248
	Franbo Legion Limited		working capital	32,790	-
	Franbo Ocean Limited		working capital	295,110	151,490
	Franbo Bright Limited		working capital	131,160	34,430
	Franbo Ace Limited		working capital	131,160	49,185
	Franbo Art Limited		working capital	131,160	97,386
	Franbo Century Limited		working capital	262,320	162,966
	Franbo Brave Limited		working capital	327,900	49,185
Franbo Shipping S.A.	New Lucky Lines S.A.	100% parent company	working capital	131,160	104,600
Franbo Logos S.A.			working capital	32,790	29,511
Franbo Logic S.A.			working capital	131,160	66,564
Franbo Sagacity S.A.			working capital	65,580	65,580
FB Pioneer Limited			working capital	32,790	-
Franbo Legacy Limited			working capital	98,370	62,957
Franbo Cosmos Limited			working capital	98,370	77,712
Franbo Bravo Limited			working capital	295,110	42,725
Franbo Century Limitd			working capital	49,185	-
Franbo Legion Limited			working capital	65,580	17,051
Prevalent Creation Corp.			working capital	5,902	5,574
Franbo Transportation S.A.		Related companies	working capital	180,345	125,914
Franbo Wind S.A.			working capital	32,790	20,002
BCTS Capital Inc.			working capital	95,091	84,270
FWF Shipping Limited			working capital	131,160	73,778
FWF Shipping Limited	Franbo Lines Corp.	100% parent company	working capital	98,370	84,270
Uni-Morality Lines Limited	Franbo Lines Corp.		working capital	118,044	118,044
FB Justice Construction and Development Co., Ltd.	Franbo Asset Management Co., Ltd.	100% parent company	working capital	60,000	40,000

Note 1: The company's individual target loan and limit shall not exceed 10% of the company's net value. The group subsidiary's individual target loan and limit shall not exceed 30% of the subsidiary's net value except for New Lucky Lines S.A. 30% of the subsidiary's net value, other group subsidiaries are shall not exceed 100% of the net worth of the subsidiary.

Note 2: The total amount of funds lent by the company shall not exceed 20% of the net worth of the company, and the total amount of funds lent by a group subsidiary shall not exceed 100% of the net worth of the subsidiary.

7. Implementation of the Fifth and the Sixth Domestic Unsecured Convertible Corporate Bond.

Explanation:

- (1) The company's board of directors passed a resolution on May 8, 2024 to issue the seventh unsecured convertible corporate bond in 2024, with a total issuance amount of NT\$590 million, which will be used to pay part of the payment for a new 40,000-ton bulk carrier through an investment subsidiary.

Bond Name	The Fifth Domestic Unsecured Convertible Corporate Bond (Bond code: 26417)
Approval document number for OTC transactions issued by the competent authority	No. 11300068122 issued by Taipei Exchange on July 19, 2024.
Issuance	NT\$590 million
Book Value	NT 100,000 dollars, the actual issue price is 104.88% of the denomination
Coupon Rate	Fixed annual interest rate of 0%
Repayment Method	When this bond matures, repayment in cash based on the face value of the bond.
Conversion price at issue	NT\$22.70
Latest conversion price	NT\$22.70
Issue period	Three-year period, issued on July 26, 2024, and expired on July 26, 2027
Amount of ordinary shares converted	-
Outstanding principal	NT\$584,300

Note: Information as of March 31, 2025.

Ratification and Discussion Items

Item 1: To ratify the Business Report and Financial Statements for 2024.

(Proposed by the Board of Directors)

Explanation:

- (1) The compilation of the Company's 2024 Business Report and Financial Statements are completed. The Financial Statements have been audited and certified by independent certified public accountants, Wang, Kuo-Hua, and Liao, A-shen, of PricewaterhouseCoopers Taiwan, and reviewed by the Audit Committee of the Company. Adoption Requested
- (2) Please refer to Attachment 1, Attachment 2 and Attachment 3 of this handbook.

Resolution:

Item 2: To ratify the Proposal for Distribution of 2024 Profits.

(Proposed by the Board of Directors)

Explanation:

- (1) The unappropriated earnings at the beginning of the year is NT\$ 1,413,033,714, after adding up the 2024 net income of NT\$ 584,899,907 and the legal reserve (10%) of NT\$ 58,489,991, therefore the total amount of earnings available for distribution is NT\$ 1,939,443,630.
- (2) Attached the earnings distribution table for the year 2024 is as follows :

Franbo Lines Corp.
2024 Earnings distribution table

Unit: NT\$

Item	Amount
Ratained earnings in the bengining of 2024	\$ 1,413,033,714
Add: Net profit after tax for the year 2024	584,899,907
Subtract: Setting aside 10% legal reserve	(58,489,991)
Earnings available for distribution by the end of the fiscal year	<u>1,939,443,630</u>
Distribution Items	
Shareholders' dibidends – Cash (NT\$0.5 per share) (Note)	(156,271,248)
Undistributed earnings by the end of 2024	<u>\$ 1,783,172,382</u>

- (3) The cash dividend in this case has been authorized to be resolved by the board of directors in accordance with Article 20 of the company's articles of association.
- (4) The dividend distribution is calculated based on the number of issued shares of 312,542,497 at the time of the board of directors' resolution on March 11, 2025.

Resolution:

Item 3: To Amend the Articles of Incorporation.

(Proposed by the Board of Directors)

Explanation:

- (1) In response to the authority's amendment to Article 14, Item 6 of the Securities and Exchange Act, the company plans to amend some provisions of the "Articles of Incorporation". For a comparison table of the provisions before and after the revision, please refer to Attachment 5 of this handbook.
- (2) Discussion requested.

Resolution:

Item 4: To Amend the “Procedures Governing Endorsements / Guarantees”.

(Proposed by the Board of Directors)

Explanation:

- (1) In response to the actual operational needs of the company, our company intends to amend some of the provisions of the "CX06 Procedures Governing Endorsements / Guarantees". For a comparison table of the provisions before and after the revision, please refer to Appendix 6 of this manual.
- (2) Discussion requested.

Resolution:

Item 5: To Amend the “Procedures for Lending Funds to Others”..

(Proposed by the Board of Directors)

Explanation:

- (1) In response to the actual operational needs of the company, it is proposed to amend some provisions of the "CX08 Procedures for Lending Funds to Others". Please refer to Appendix 7 of this manual for a comparison table of the provisions before and after the revision.
- (2) Discussion requested.

Resolution:

Item 6: To Amend the “Procedures for Asset Acquisition & Disposal”.

(Proposed by the Board of Directors)

Explanation:

- (1) In response to the actual operational needs of the company, it is proposed to amend some provisions of "CX13 Procedures for Asset Acquisition & Disposal". Please refer to Appendix 8 of this manual for a comparison table of the provisions before and after the revision.k.
- (2) Discussion requested.

Resolution:

Extempore Motion

Meeting Adjourned

Franbo Lines Corp

Business Report of the Year 2024

Since the end of 2023, the Yemeni Houthi armed forces in the Middle East have continued to attack merchant ships in the Red Sea, greatly affecting shipping activities in the Suez Canal. As a key hub for global trade, the Suez Canal handles about 12% to 15% of international trade volume and more than 12% of oil transportation each year. It is an important link connecting Europe and Asia. Due to the geopolitical uncertainty of the Red Sea crisis, many shipping companies have been forced to choose to bypass the Cape of Good Hope in Africa, resulting in an increase in transportation time of about 7 to 10 days, affecting supply chain efficiency, and rising fuel and labor costs, increasing shipping operating costs, and short-term capacity shortages, causing the Baltic Sea Index to average 1,836 points in the first half of 2023, up 58.70% year-on-year. However, after entering the fourth quarter, the market showed an increase in freight volume and a decline in freight rates, showing the challenges of fierce market competition and overcapacity. BDI fell back to the end of the year's low of 715 points. Another issue worth paying attention to in 2024 is environmental protection and international emission reduction regulations. High-sulfur fuel for ships has been gradually replaced by low-sulfur fuel in the past few years, but the demand for high-sulfur fuel rebounded unexpectedly strongly in 2024, with annual sales reaching 20.15 million metric tons, an increase of 21% over the previous year. The main reason is that more and more ships are installing "scrubbers". This equipment allows ships to meet emission standards while using high-sulfur fuel, helping shipowners to effectively reduce fuel costs. In contrast, sales of low-sulfur fuel fell slightly by 4% to 29.58 million metric tons. This is not because of weakening demand, but rather that the market has begun to show a clear trend of segmentation. As the shipping industry accelerates the process of decarbonization, alternative fuels have seen exponential growth in 2014, with total sales exceeding 1.34 million metric tons, more than double that of 2012. Key sources of growth include biofuel blends, which have become a popular choice for large container ships and cruise ships due to their carbon-reducing benefits. Liquefied Natural Gas (LNG): Sales volume increased fourfold year-on-year, fully demonstrating the shipping industry's high attention to low-carbon energy. Policy support, technological innovation and active promotion from suppliers are the main reasons for the rise of alternative fuels. As the shipping industry's demand for carbon reduction continues to increase, the future development potential of this type of fuel cannot be ignored.

Looking back on 2024, factors such as geopolitical risks, oil price fluctuations, and environmental pressures may have a significant impact on the shipping market. However, as the global economy continues to recover and international trade grows, the shipping industry will usher in more opportunities. Looking ahead to 2015, in response to the rapid economic changes and the company's long-term operational layout, the company has delivered three 60,000-ton new ships that meet environmental regulations in the second and third quarters of 2015. We believe that these expansions in fleet size in response to market demand and development will have positive benefits for the Company's future revenue growth and increased profits, enhanced company value, and long-term development. Our report on the Company's operating status over the past year is as follows:

Operating Results for 2024

1. Business plan implementation results:

The Company purchased one existing ship in 2024, and two newly built ships were delivered and put into operation in 2024. Due to the Group's replacement of old vessels with new ones, consolidated revenue in 2024 was NT\$1,654,400,000, an increase of NT\$316,740,000, and representing an increase of 23.68% as compared to 2023's figure of NT\$1,337,660,000.

2. Budget implementation status:

The Company did not disclose financial forecasts in 2024.

3. Analysis of financial revenue, expenditure, and profitability

Benefiting from the successive operation of six 40,000-ton new ships with higher gross profit margins, the company's operating gross profit margin increased slightly from 45.62% to 46.06%. In addition, affected by global inflation, borrowing interest rates remain high. Financial expenditures in 2024 were NT\$161,809,000, an increase of NT\$65,783,000 as compared to 2023's figure of NT\$96,026,000. Nevertheless, with revenues and expenditures well under control, net profit attributable to the parent company was NT\$584,901,000, and earnings per share were NT\$1.92.

Business Policy for 2024

1. Operational policy

The Company operates bulk cargo transportation services. The operating models are mainly long-term and short-term time charters, trip charters, and as bareboat charters in cooperation with charterers. The short-term charter model has the advantage of adjusting rental fees in a timely manner in conjunction with market conditions; while the long-term time charter model allows us to establish long-term and reliable cooperative relationships with existing charterers, and provide highly efficient and stable charter services.

2. Important production and marketing strategies

The Group's 100%-owned sub-subsidiaries have a total of 18 ships. The operating models are time charters and bareboat charters. The fleet age is 9.08 years, and the fleet has a gross deadweight tonnage of approximately 721,600 tons. One ship has a load capacity of 176,000 tons; one Panamax with a deadweight of more than 80,000 tons, eight extreme lightweight ships have load capacities of 40,000 tons or more; one lightweight ship has a load capacity of c. 20,000 tons; and seven lightweight ships have load capacities of 10,000 tons. The charterers' main operations cover global routes.

Our Future Development Strategy

The Company's operations focus on bulk shipping business and ship management. In terms of directions for expanding our shipping business, the Company plans to purchase energy-saving, environmentally-friendly, newly-built ships; increase fleet deadweight tonnage; strengthen safety management and risk controls; improve the quality of ship management; pay attention to global environmental protection and sustainable operations; strengthen the development of high-quality charterers; increase stable income; and continue to maintain our fleet's long-term competitive advantages in low costs and high service quality.

Effects of the External Competitive Environment, Regulatory Environment, and Overall Operating Environment

The global shipping industry is actively promoting the development of environmentally-friendly ships. The International Maritime Organization (IMO) has set a carbon reduction goal of achieving net-zero emissions by around 2050 and hopes to reduce greenhouse gas emissions by at least 20% by 2030 as compared to that in 2008, and by 70% by 2040. In addition, by 2030, the use rate of zero-emission or near-zero-emission fuel will reach 5% to 10%. In addition to the impact of environmental regulations on the shipping market, the supply and demand of ships will reach a peak between 2023 and 2024, and the supply of new ship capacity will reach a peak, which may put pressure on freight rates. It is expected that this pressure will gradually decrease in 2025 and ease in 2026.

In 2025, as Red Sea shipping gradually recovers, about 30% of the shipping capacity will be released. The short route of the Suez Canal is also expected to become mainstream again, making the operation of global trade more efficient. The Russian-Ukrainian war is also expected to end with the mediation of the United States. The issue of Ukraine's reconstruction will drive an increase in steel demand. In order to cope with the Red Sea crisis, labor-management negotiations at US ports, and tariff policy changes and avoid supply chain disruptions, companies have begun to "grab goods", causing the freight market to heat up instantly. Overall, the global shipping industry is in a critical period of rapid change. The restoration of the Red Sea shipping route is expected to reduce transportation costs and ease supply chain pressure; the rise of the African market provides new growth opportunities for enterprise; and the upgrade of European infrastructure shows the potential to seek breakthroughs even in the face of economic challenges. Looking forward to the future, as Franbo Lines adjusts our fleet and new ships are put into operation, and as we continue to plan our newly-built fleet deployment, profits from our main business will have even more room for growth. In conjunction with the diversified business strategy, we aim to maximize shareholder interests and maintain the Company's sustainable operations and growth, so as to return the favor and support shareholders have shown us.

Chairman B.C. Tsai

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Franbo Lines Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Franbo Lines Corporation (the “Group”) as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China.

Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

The existence of revenue recognition of newly top 10 unlisted customers

Description

Please refer to Notes 4(25) and 4(31) for the accounting policies on revenue recognition, and Note 6(20) for details of accounting item of operating revenue.

Operating revenue was the main indicator of managements' operating performance, and because the economic fluctuation of marine industry was larger in recent years, we consider the existence of revenue recognition of newly top 10 unlisted customers of the Company and subsidiaries as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed and tested the implementation effectiveness of internal control in relation to credit business in sales cycle.
2. Examined contracts to confirm the amounts of revenue were calculated according to contracts.
3. Verified the collection record of banks and counterparties were in agreement.
4. Confirmed vessels were actually operating properly by searching rutters on the internet and verified related documents.

Impairment assessment of vessels and equipment

Description

Please refer to Note 4(19) for accounting policies on the impairment of non-financial assets, and Note 5 for the uncertainty of accounting estimates and assumptions on the impairment assessment of investment accounted for using equity method.

The main business of the subsidiary held by the Group was ocean freight forwarder. Because of the external competitive environment of bulk shipments and the effect of the continuous fluctuations in the overall economic, there were indications which were identified by the management showing that the vessels and equipment of some subsidiaries might have been impaired, thus, the appraiser who was appointed by the management measured the recoverable amounts of vessels and equipment by using fair values less disposal costs. The aforementioned estimates of recoverable amount primarily relied on the appraisal report of the appraiser, and the result might have significant influence on the consolidated financial statements, thus, we consider the impairment assessment of vessels and equipment a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained the vessels appraisal report of the appraiser who was appointed by the management, and assessed the professional ability, the performance of competence and the objectiveness of the appraiser.
2. Examined the content of vessels appraisal report to understand and assess the reasonableness of the source of data, appraisal method and conclusions of the appraiser.

Other matter – Consolidated financial reports

We have audited and expressed an unqualified opinion on the consolidated financial statements of the Company as at and for the years ended December 31, 2024 and 2023.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Wang, Kuo-Hua

Liao, A-Shen

For and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2025

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

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

FRANBO LINES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 475,521	4	\$ 448,715	5
1110	Financial assets at fair value through profit or loss - current	6(2)	5,898	-	8,803	-
1170	Accounts receivable, net	6(5) and 7	30	-	56	-
1197	Finance lease receivable, net	6(9)	130,889	1	163,693	2
1220	Current tax assets		24	-	19	-
130X	Inventories	6(6), 7 and 8	934,223	8	786,100	9
1410	Prepayments		70,474	-	45,586	-
1460	Non-current assets held for sale, net	5, 6(8)(10)	-	-	73,086	1
1479	Other current assets, others		19,894	-	6,808	-
11XX	Current Assets		1,636,953	13	1,532,866	17
Non-current assets						
1510	Non-current financial assets at fair value through profit or loss	6(2)	87	-	397	-
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	2,996	-	2,996	-
1535	Non-current financial assets at amortised cost	6(4) and 8	34,190	-	16,973	-
1550	Investments accounted for using equity method	6(7)	12,230	-	25,278	-
1600	Property, plant and equipment	5, 6(8)(10) and 8	8,549,022	70	5,764,213	65
1780	Intangible assets		2,855	-	513	-
1840	Deferred tax assets	6(26)	2,754	-	664	-
1915	Prepayments for business facilities		1,072,071	9	384,428	4
1930	Long-term notes and accounts receivable	6(9)	923,672	8	1,204,032	14
1990	Other non-current assets, others	8	725	-	725	-
15XX	Non-current assets		10,600,602	87	7,400,219	83
1XXX	Total assets		\$ 12,237,555	100	\$ 8,933,085	100

(Continued)

FRANBO LINES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Current borrowings	6(11) and 8	\$ 55,000	1	\$ -	-
2130	Current contract liabilities		6,093	-	1,598	-
2170	Accounts payable	7	6,840	-	9,020	-
2200	Other payables	6(12)	125,478	1	134,567	2
2230	Current tax liabilities		24,671	-	80,338	1
2320	Long-term liabilities, current portion	6(13)(14) and 8	462,519	4	170,566	2
2399	Other current liabilities, others	6(20)	133,183	1	111,579	1
21XX	Current Liabilities		813,784	7	507,668	6
Non-current liabilities						
2530	Bonds payable	6(13)	608,430	5	581,773	7
2540	Non-current portion of non-current borrowings	6(14) and 8	2,698,613	22	1,474,038	16
2645	Guarantee deposits received		68,377	-	111,597	1
2670	Other non-current liabilities, others	6(20)	6,978	-	55,229	1
25XX	Non-current liabilities		3,382,398	27	2,222,637	25
2XXX	Total Liabilities		4,196,182	34	2,730,305	31
Equity						
Equity attributable to owners of parent						
	Share capital	6(17)				
3110	Ordinary share		3,110,235	25	2,924,827	33
	Capital surplus	6(18)				
3200	Capital surplus		1,592,024	13	1,392,634	15
	Retained earnings	6(19)				
3310	Legal reserve		234,700	2	192,260	2
3350	Unappropriated retained earnings		1,997,934	16	1,604,259	18
	Other equity interest					
3400	Other equity interest		543,788	5	88,800	1
31XX	Equity attributable to owners of the parent		7,478,681	61	6,202,780	69
36XX	Non-controlling interests	4(3)	562,692	5	-	-
3XXX	Total equity		8,041,373	66	6,202,780	69
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 12,237,555	100	\$ 8,933,085	100

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

FRANBO LINES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

			Year ended December 31			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(20) and 7	\$ 1,654,400	100	\$ 1,337,660	100
5000	Operating costs	6(24)(25) and 7	(892,410)	(54)	(727,426)	(55)
5900	Gross profit from operations		<u>761,990</u>	<u>46</u>	<u>610,234</u>	<u>45</u>
	Operating expenses	6(24)(25)				
6100	Selling expenses		(12,224)	(1)	(11,508)	(1)
6200	Administrative expenses		(73,697)	(4)	(86,330)	(6)
6000	Total operating expenses		(85,921)	(5)	(97,838)	(7)
6900	Net operating income		<u>676,069</u>	<u>41</u>	<u>512,396</u>	<u>38</u>
	Non-operating income and expenses					
7100	Interest income		20,716	1	33,187	3
7010	Other income	6(21)	27,931	2	18,270	1
7020	Other gains and losses	6(2)(22)	39,258	2	49,794	4
7050	Finance costs	6(23)	(161,809)	(10)	(96,026)	(7)
7060	Share of profit of associates and joint ventures accounted for using equity method	6(7)	<u>3,550</u>	<u>-</u>	<u>1,410</u>	<u>-</u>
7000	Total non-operating income and expenses		(70,354)	(5)	6,635	1
7900	Profit before income tax		605,715	36	519,031	39
7950	Income tax expense	6(26)	(22,908)	(1)	(94,629)	(7)
8200	Profit for the year		<u>\$ 582,807</u>	<u>35</u>	<u>\$ 424,402</u>	<u>32</u>
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)	\$ -	- (\$ 4)	-	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		<u>454,988</u>	<u>28</u>	(17,603)	(2)
8300	Other comprehensive income(loss) for the year		<u>\$ 454,988</u>	<u>28</u>	(\$ 17,607)	(2)
8500	Total comprehensive income for the year		<u>\$ 1,037,795</u>	<u>63</u>	<u>\$ 406,795</u>	<u>30</u>
	Profit, attributable to:					
8610	Owners of the parent		\$ 584,901	35	\$ 424,402	32
8620	Loss, attributable to non-controlling interests		(2,094)	-	-	-
			<u>\$ 582,807</u>	<u>35</u>	<u>\$ 424,402</u>	<u>32</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		\$ 1,039,889	63	\$ 406,795	30
8720	Comprehensive loss, attributable to non-controlling interests		(2,094)	-	-	-
			<u>\$ 1,037,795</u>	<u>63</u>	<u>\$ 406,795</u>	<u>30</u>
	Earnings per share	6(27)				
9750	Basic earnings per share		\$ 1.92		\$ 1.69	
9850	Diluted earnings per share		\$ 1.79		\$ 1.52	

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

FRANBO LINES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent													
Notes	Capital Reserves					Retained Earnings			Other equity interest		Total	Non-controlling interests	Total equity
	Ordinary share	Share premium	Treasury stock transactions	Stock options	Expired options	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income			
<u>2023</u>													
Balance at January 1, 2023	\$ 2,391,567	\$ 1,071,622	\$ 5	\$ 30,399	\$ 5,973	\$ 64,268	\$ 263,295	\$ 1,403,289	\$ 106,407	\$ -	\$ 5,336,825	\$ -	\$ 5,336,825
Profit for the year	-	-	-	-	-	-	-	424,402	-	-	424,402	-	424,402
Other comprehensive loss for the year	-	-	-	-	-	-	-	-	(17,603)	(4)	(17,607)	-	(17,607)
Total comprehensive income (loss)	-	-	-	-	-	-	-	424,402	(17,603)	(4)	406,795	-	406,795
Appropriation and distribution of 2022 retained earnings:													
Legal reserve appropriated	-	-	-	-	-	127,992	-	(127,992)	-	-	-	-	-
Special reserve appropriated	-	-	-	-	-	-	(263,295)	263,295	-	-	-	-	-
Cash dividends 6(19)	-	-	-	-	-	-	-	(358,735)	-	-	(358,735)	-	(358,735)
Due to recognition of equity component of convertible bonds issued 6(13)	-	-	-	8,552	-	-	-	-	-	-	8,552	-	8,552
Issuance of shares 6(17)	300,000	125,000	-	-	-	-	-	-	-	-	425,000	-	425,000
Conversion of convertible bonds 6(13)(17)(2) 8)	233,260	159,819	-	(12,112)	-	-	-	-	-	-	380,967	-	380,967
Share-based payments 6(16)	-	3,376	-	-	-	-	-	-	-	-	3,376	-	3,376
Balance at December 31, 2023	<u>\$ 2,924,827</u>	<u>\$ 1,359,817</u>	<u>\$ 5</u>	<u>\$ 26,839</u>	<u>\$ 5,973</u>	<u>\$ 192,260</u>	<u>\$ -</u>	<u>\$ 1,604,259</u>	<u>\$ 88,804</u>	<u>(\$ 4)</u>	<u>\$ 6,202,780</u>	<u>\$ -</u>	<u>\$ 6,202,780</u>
<u>2024</u>													
Balance at January 1, 2024	\$ 2,924,827	\$ 1,359,817	\$ 5	\$ 26,839	\$ 5,973	\$ 192,260	\$ -	\$ 1,604,259	\$ 88,804	(\$ 4)	\$ 6,202,780	\$ -	\$ 6,202,780
Profit for the year	-	-	-	-	-	-	-	584,901	-	-	584,901	(2,094)	582,807
Other comprehensive income for the year	-	-	-	-	-	-	-	-	454,988	-	454,988	-	454,988
Total comprehensive income (loss)	-	-	-	-	-	-	-	584,901	454,988	-	1,039,889	(2,094)	1,037,795
Appropriation and distribution of 2023 retained earnings:													
Legal reserve appropriated	-	-	-	-	-	42,440	-	(42,440)	-	-	-	-	-
Cash dividends 6(19)	-	-	-	-	-	-	-	(148,786)	-	-	(148,786)	-	(148,786)
Due to recognition of equity component of convertible bonds issued 6(13)	-	-	-	68,014	-	-	-	-	-	-	68,014	-	68,014
Conversion of convertible bonds 6(13)(17)(2) 8)	185,408	145,834	-	(14,458)	-	-	-	-	-	-	316,784	-	316,784
Changes in non-controlling interests 4(3)	-	-	-	-	-	-	-	-	-	-	-	564,786	564,786
Balance at December 31, 2024	<u>\$ 3,110,235</u>	<u>\$ 1,505,651</u>	<u>\$ 5</u>	<u>\$ 80,395</u>	<u>\$ 5,973</u>	<u>\$ 234,700</u>	<u>\$ -</u>	<u>\$ 1,997,934</u>	<u>\$ 543,792</u>	<u>(\$ 4)</u>	<u>\$ 7,478,681</u>	<u>\$ 562,692</u>	<u>\$ 8,041,373</u>

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

FRANBO LINES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 605,715	\$ 519,031
Adjustments			
Income and expenses having no effect on cash flows			
Depreciation expense	6(8)(24)	326,696	250,564
Amortization expense		147	152
Net gains on financial assets at fair value through profit or loss	6(2)(22)	(251)	(1,628)
Interest expense	6(23)	161,809	96,026
Interest income		(20,716)	(33,187)
Share-based payments		-	3,376
Share of profit of associates and joint ventures accounted for using equity method	6(7)	(3,550)	(1,410)
Gain on disposal of non-current assets classified as held for sale	6(22)	(61,861)	-
Gain on disposal of property, plant and equipment	6(22)	-	(54,042)
Changes in assets/liabilities relating to operating activities			
Changes in operating assets			
Current financial assets at fair value through profit or loss		3,578	1,018
Accounts receivable		26	-
Finance lease receivable		397,386	(41,485)
Inventories		(146,785)	(175,811)
Prepayments		(21,877)	5,344
Other current assets, others		(12,360)	50,919
Net changes in liabilities relating to operating activities			
Accounts payable		(2,590)	8,703
Other payable		(16,145)	(52,170)
Other payable to related parties		-	(1,881)
Other current liabilities, Others		18,269	14,289
Other non-current liabilities, others		(50,914)	(54,724)
Cash inflow generated from operations		1,176,577	533,084
Interest received		20,716	33,187
Dividends received	6(7)	4,631	2,442
Interest paid		(149,969)	(84,816)
Income tax paid		(80,665)	(5,922)
Income taxes refund		-	12
Net cash flows from operating activities		971,290	477,987

(Continued)

FRANBO LINES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		\$ -	(\$ 3,000)
Decrease in current financial assets at amortised cost		-	242,676
(Increase) decrease in non-current financial assets at amortised cost		(15,886)	2,136
Proceeds from capital reduction of investments accounted for using equity method	6(7)	13,374	-
Proceeds from liquidation of investments accounted for using equity method	6(7)	-	66
Acquisition of property, plant and equipment	6(8)	(2,373,709)	(2,516,754)
Proceeds from disposal of property, plant and equipment		-	124,130
Proceeds from disposal of non-current assets held for sale		239,232	-
Acquisition of intangible assets		(2,489)	(283)
Increase in prepayments for business facilities		(1,049,839)	-
Increase in guarantee deposits received		-	(105)
Net cash flows used in investing activities		(3,189,317)	(2,151,134)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(29)	505,000	579,120
Decrease in short-term loans	6(29)	(450,000)	(699,120)
Decrease in short-term notes and bills payable	6(29)	-	(30,000)
Proceeds from issuing bonds	6(29)	613,720	395,943
Repayments of bonds	6(29)	-	(400,000)
Proceeds from long-term debt	6(29)	1,709,920	1,854,859
Repayments of long-term debt	6(29)	(536,656)	(1,230,618)
Proceeds from issuing shares (net of issuance cost)		-	425,000
Cash dividends paid	6(19)	(148,786)	(358,735)
Decrease in guarantee deposits received	6(29)	(47,735)	(14,213)
Change in non-controlling interest		564,786	-
Net cash flows from financing activities		2,210,249	522,236
Effect of exchange rate changes on cash and cash equivalents		34,584	2,373
Net increase (decrease) in cash and cash equivalents		26,806	(1,148,538)
Cash and cash equivalents at beginning of year	6(1)	448,715	1,597,253
Cash and cash equivalents at end of year	6(1)	<u>\$ 475,521</u>	<u>\$ 448,715</u>

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Franbo Lines Corporation

Opinion

We have audited the accompanying parent company only balance sheets of Franbo Lines Corporation (the “Company”) as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

On December 31, 2024, subsidiaries included in the balance of the Company's investment accounted by using equity method was NT\$8,366,020 thousand, which presented 98% of total assets of the Company. For the year ended December 31, 2024, the Company recognised gains on investments which presented 100% of the Company's profit before tax and had significant impacts on the Company's parent company only financial statements. Thus, we listed the subsidiary's key audit matter - the existence of revenue recognition and the impairment assessment of vessels and equipment into the Company's key audit matters.

Key audit matters for the Company's 2024 parent company only financial statements are stated as follows:

The existence of revenue recognition of newly top 10 unlisted customers

Description

Please refer to Note 4(23) for the accounting policies on revenue recognition, and Note 6(13) for details of accounting item of operating revenue.

Operating revenue was the main indicator of managements' operating performance, and because the economic fluctuation of marine industry was larger in recent years, we consider the existence of revenue recognition of newly top 10 unlisted customers of the Company and subsidiaries as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed and tested the implementation effectiveness of internal control in relation to credit business in sales cycle.
2. Examined contracts to confirm the amounts of revenue were calculated according to contracts.
3. Verified the collection record of banks and counterparties were in agreement.
4. Confirmed vessels were actually operating properly by searching rutters on the internet and verified related documents.

Impairment assessment of vessels and equipment

Description

Please refer to Note 4(14) for accounting policies on the impairment of non-financial assets, and Note 5 for the uncertainty of accounting estimates and assumptions on the impairment assessment of investment accounted for using equity method.

The main business of the subsidiary held by the Company was ocean freight forwarder. Because of the external competitive environment of bulk shipments and the effect of the continuous fluctuations in the overall economic, there were indications which were identified by the management showing that the vessels and equipment of some subsidiaries might have been impaired, thus, the appraiser who was appointed by the management measured the recoverable amounts of vessels and equipment by using fair values less disposal costs. The aforementioned estimates of recoverable amount primarily relied on the appraisal report of the appraiser, and the result might have significant influence on the parent company only financial statements, thus, we consider the impairment assessment of vessels and equipment a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained the vessels appraisal report of the appraiser who was appointed by the management, and assessed the professional ability, the performance of competence and the objectiveness of the appraiser.
2. Examined the content of vessels appraisal report to understand and assess the reasonableness of the source of data, appraisal method and conclusions of the appraiser.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

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

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

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

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

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

Wang, Kuo-Hua

Liao, A-Shen

For and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2025

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

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

FRANBO LINES CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 75,921	1	\$ 31,541	1
1110	Financial assets at fair value through	6(2)				
	profit or loss - current		4,461	-	7,778	-
1180	Accounts receivable due from related	6(3) and 7				
	parties, net		14,562	-	19,052	-
1210	Other receivables due from related	7				
	parties		53,238	1	266,000	4
1410	Prepayments		304	-	346	-
1470	Other current assets		507	-	3	-
11XX	Current Assets		148,993	2	324,720	5
Non-current assets						
1510	Financial assets at fair value through	6(2)				
	profit or loss - non-current		87	-	397	-
1550	Investments accounted for using	6(4)				
	equity method		8,366,020	98	6,720,959	94
1600	Property, plant and equipment	6(5) and 8	49,082	-	49,403	1
1780	Intangible assets		366	-	513	-
1840	Deferred income tax assets	6(18)	2,754	-	664	-
1990	Other non-current assets, others	8	600	-	600	-
15XX	Non-current assets		8,418,909	98	6,772,536	95
1XXX	Total assets		\$ 8,567,902	100	\$ 7,097,256	100

(Continued)

FRANBO LINES CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2200	Other payables	6(6)	\$ 38,916	1	\$ 42,620	1
2220	Other payables to related parties	7	202,918	2	189,481	3
2230	Current income tax liabilities		24,671	-	80,338	1
2320	Long-term liabilities, current portion	6(7)	213,994	3	-	-
2399	Other current liabilities, others		292	-	264	-
21XX	Current Liabilities		480,791	6	312,703	5
Non-current liabilities						
2530	Bonds payable	6(7)	608,430	7	581,773	8
25XX	Non-current liabilities		608,430	7	581,773	8
2XXX	Total liabilities		1,089,221	13	894,476	13
Equity						
	Share capital	6(10)				
3110	Ordinary share		3,110,235	36	2,924,827	41
	Capital surplus	6(11)				
3200	Capital surplus		1,592,024	19	1,392,634	19
	Retained earnings	6(12)				
3310	Legal reserve		234,700	3	192,260	3
3350	Unappropriated retained earnings		1,997,934	23	1,604,259	23
	Other equity interest					
3400	Other equity interest		543,788	6	88,800	1
3XXX	Total equity		7,478,681	87	6,202,780	87
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 8,567,902	100	\$ 7,097,256	100

The accompanying notes are an integral part of these parent company only financial statements.

FRANBO LINES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

			Year ended December 31			
			2024		2023	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(13) and 7		\$ 119,060	100	\$ 131,335	100
5000 Operating costs	6(17)		(19,188)	(16)	(22,221)	(17)
5900 Gross profit from operations			99,872	84	109,114	83
Operating expenses	6(17)					
6100 Selling expenses			(11,993)	(10)	(11,315)	(9)
6200 Administrative expenses			(62,841)	(53)	(72,755)	(55)
6000 Total operating expenses			(74,834)	(63)	(84,070)	(64)
6900 Net operating profit			25,038	21	25,044	19
Non-operating income and expenses						
7100 Interest income			4,818	4	7,013	5
7010 Other income			62	-	82	-
7020 Other gains and losses	6(2)(14)	(	19,447)	(17)	(3,337)	(2)
7050 Finance costs	6(15)	(	12,182)	(10)	(14,398)	(11)
7070 Share of profit of associates and joint ventures accounted for using equity method	6(4)		609,520	512	504,627	384
7000 Total non-operating income and expenses			582,771	489	493,987	376
7900 Profit before income tax			607,809	510	519,031	395
7950 Income tax expense	6(18)	(	22,908)	(19)	(94,629)	(72)
8200 Profit for the year			\$ 584,901	491	\$ 424,402	323
Other comprehensive income						
Components of other comprehensive income that will not be reclassified to profit or loss						
8330 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(4)		\$ -	- (\$ 4)	-	-
Components of other comprehensive income that will be reclassified to profit or loss						
8361 Exchange differences on translation	6(4)		454,988	382	(17,603)	(13)
8300 Other comprehensive income(loss) for the year			\$ 454,988	382	(\$ 17,607)	(13)
8500 Total comprehensive income for the year			\$ 1,039,889	873	\$ 406,795	310
Earnings per share						
9750 Basic earnings per share	6(19)		\$ 1.92		\$ 1.69	
9850 Diluted earnings per share			\$ 1.79		\$ 1.52	

The accompanying notes are an integral part of these parent company only financial statements.

FRANBO LINES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Capital Reserves					Retained Earnings			Other equity interest		
										Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	
	Notes	Ordinary share	Share premium	Treasury share transactions	Stock options	Expired options	Legal reserve	Special reserve	Unappropriated retained earnings			Total equity
2023												
Balance at January 1, 2023		\$ 2,391,567	\$ 1,071,622	\$ 5	\$ 30,399	\$ 5,973	\$ 64,268	\$ 263,295	\$ 1,403,289	\$ 106,407	\$ -	\$ 5,336,825
Profit for the year		-	-	-	-	-	-	-	424,402	-	-	424,402
Other comprehensive loss for the year	6(4)	-	-	-	-	-	-	-	-	(17,603)	(4)	(17,607)
Total comprehensive income (loss)		-	-	-	-	-	-	-	424,402	(17,603)	(4)	406,795
Appropriation and distribution of 2022 retained earnings:												
Legal reserve appropriated		-	-	-	-	-	127,992	-	(127,992)	-	-	-
Special reserve appropriated		-	-	-	-	-	-	(263,295)	263,295	-	-	-
Cash dividends	6(12)	-	-	-	-	-	-	-	(358,735)	-	-	(358,735)
Due to recognition of equity component of convertible bonds issued	6(7)	-	-	-	8,552	-	-	-	-	-	-	8,552
Issuance of shares	6(10)	300,000	125,000	-	-	-	-	-	-	-	-	425,000
Conversion of convertible bonds	6(7)(10)(20)	233,260	159,819	-	(12,112)	-	-	-	-	-	-	380,967
Share-based payments	6(9)	-	3,376	-	-	-	-	-	-	-	-	3,376
Balance at December 31, 2023		\$ 2,924,827	\$ 1,359,817	\$ 5	\$ 26,839	\$ 5,973	\$ 192,260	\$ -	\$ 1,604,259	\$ 88,804	(\$ 4)	\$ 6,202,780
2024												
Balance at January 1, 2024		\$ 2,924,827	\$ 1,359,817	\$ 5	\$ 26,839	\$ 5,973	\$ 192,260	\$ -	\$ 1,604,259	\$ 88,804	(\$ 4)	\$ 6,202,780
Profit for the year		-	-	-	-	-	-	-	584,901	-	-	584,901
Other comprehensive income for the year	6(4)	-	-	-	-	-	-	-	-	454,988	-	454,988
Total comprehensive income		-	-	-	-	-	-	-	584,901	454,988	-	1,039,889
Appropriation and distribution of 2023 retained earnings:												
Legal reserve appropriated		-	-	-	-	-	42,440	-	(42,440)	-	-	-
Cash dividends	6(12)	-	-	-	-	-	-	-	(148,786)	-	-	(148,786)
Due to recognition of equity component of convertible bonds issued	6(7)	-	-	-	68,014	-	-	-	-	-	-	68,014
Conversion of convertible bonds	6(7)(10)(20)	185,408	145,834	-	(14,458)	-	-	-	-	-	-	316,784
Balance at December 31, 2024		\$ 3,110,235	\$ 1,505,651	\$ 5	\$ 80,395	\$ 5,973	\$ 234,700	\$ -	\$ 1,997,934	\$ 543,792	(\$ 4)	\$ 7,478,681

The accompanying notes are an integral part of these parent company only financial statements.

FRANBO LINES CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 607,809	\$ 519,031
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(5)(16)	2,047	2,482
Amortisation expense		147	152
Net gains on financial assets at fair value through profit or loss	6(2)(14)	(168)	(1,398)
Interest expense	6(15)	12,182	14,398
Interest income		(4,818)	(7,013)
Share-based payments	6(9)	-	3,376
Share of profit of associates and joint ventures accounted for using equity method	6(4)	(609,520)	(504,627)
Changes in operating assets and liabilities			
Changes in operating assets			
Current financial assets at fair value through profit or loss		3,907	1,813
Accounts receivable due from related parties		4,490	(12,854)
Prepayments		42	782
Other current assets		(504)	510
Changes in operating liabilities			
Other payables		(3,704)	(4,331)
Other current liabilities, others		28	28
Cash inflow generated from operations		11,938	12,349
Interest received		4,818	7,013
Interest paid		(565)	(16,936)
Income taxes paid		(80,665)	(5,922)
Income taxes refund		-	12
Net cash flows used in operating activities		(64,474)	(3,484)
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease in current financial assets at amortised cost		-	242,302
Decrease (Increase) in other receivables due from related parties		212,762	(266,000)
Acquisition of investments accounted for using equity method	6(4)	(934,106)	(1,343,556)
Proceeds from capital reduction of investments accounted for using equity method	6(4)	353,553	1,534,641
Proceeds from liquidation of investments accounted for using equity method	6(4)	-	26
Acquisition of property, plant and equipment	6(5)	(1,726)	-
Acquisition of intangible assets		-	(283)
Net cash flows (used in) from investing activities		(369,517)	167,130
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(21)	410,000	510,000
Decrease in short-term loans	6(21)	(410,000)	(630,000)
Decrease in short-term notes and bills payable	6(21)	-	(30,000)
Increase (decrease) in other payable to related parties		13,437	(239,538)
Repayments of long-term debt	6(21)	-	(21,890)
Proceeds from issuance of bonds	6(21)	613,720	395,943
Repayments of bonds	6(21)	-	(400,000)
Proceeds from issuing shares (net of issuance cost)	6(10)	-	425,000
Cash dividends paid	6(12)	(148,786)	(358,735)
Net cash flows from (used in) financing activities		478,371	(349,220)
Net increase (decrease) in cash and cash equivalents		44,380	(185,574)
Cash and cash equivalents at beginning of year	6(1)	31,541	217,115
Cash and cash equivalents at end of year	6(1)	\$ 75,921	\$ 31,541

The accompanying notes are an integral part of these parent company only financial statements.

Audit Committee's Review Report

The board of directors prepared the company's individual financial statements and consolidated financial statements for the year 2024, the business report and the proposal for distribution of earnings. By PricewaterhouseCoopers Wang, Kuo-Hua, and Liao, A-shen, accountant completed the audit and issued a financial report. The various forms and books prepared by the board of directors of the Company have been reviewed by the audit committee and found that there is no inconsistency. Please check in accordance with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely,

The Company's 2025 Annual General Meeting of Shareholders

Franbo Lines Corp.

Chairman of the Audit Committee: Shu-Yang, Yen i

March 11th, 2025

Franbo Lines Corp

To Amend the Articles of Incorporation Comparison Table

Article number	Original Article	Article after amendment	Reason for amendment
The Articles of Incorporation			
Article 19	<p>The company shall distribute no less than 1% of the remuneration to employees and no more than 5% of the remuneration of directors for the current year's profit. However, if the company still has accumulated losses, it should make up for it.</p> <p>Employee remuneration may be in stock or cash, and the recipients of stock or cash may include employees of subordinate companies who meet certain conditions. The profit status of the current year referred to in Paragraph 1 refers to the profit before tax deducting the distribution of employee remuneration and directors' remuneration in the current year.</p> <p>The distribution of remuneration to employees and directors shall be implemented by the board of directors with the attendance of more than two-thirds of the directors and a resolution approved by more than half of the directors present, and reported to the general meeting of shareholders.</p>	<p>The company shall distribute no less than 1% of the remuneration to employees and no more than 5% of the remuneration of directors for the current year's profit. However, if the company still has accumulated losses, it should make up for it.</p> <p>No less than 20% of the above employee remuneration amount should be allocated as remuneration for grassroots employees.</p> <p>Employee remuneration may be in stock or cash, and the recipients of stock or cash may include employees of subordinate companies who meet certain conditions. The profit status of the current year referred to in Paragraph 1 refers to the profit before tax deducting the distribution of employee remuneration and directors' remuneration in the current year.</p> <p>The distribution of remuneration to employees and directors shall be implemented by the board of directors with the attendance of more than two-thirds of the directors and a resolution approved by more than half of the directors present, and reported to the general meeting of shareholders.</p>	Amendment to Article 14, Paragraph 6 of the Securities and Exchange Act
Article 23	<p>This Articles of Association was concluded on September 22, 1998, the first amendment was on November 30, 1989, the second amendment was on April 24, 207, and the third amendment was on April 24, 2007 On August 1, the 4th amendment was made on January 15, 2008. The fifth amendment was made on December 26, 2008. The 6th amendment was made on November 6, 2009. The 7th amendment was made on March 25, 2010. The 8th amendment was made on June 29, 2010. The 9th amendment was made on June 27, 2011. The 10th amendment was made on June 28, 2012. The 11th amendment was made on June 27, 2013. The 12th amendment was made on June 26, 2014. The 13th amendment was made on June 25, 2005. The 14th amendment was made on June 28, 2016. The 15th amendment was made on June 23, 2007. The 16th amendment was made on May 29, 2019. The 17th amendment was made on May 26, 2022. The 18th amendment was made on May 30, 2024.</p>	<p>This Articles of Association was concluded on September 22, 1998, the first amendment was on November 30, 1989, the second amendment was on April 24, 207, and the third amendment was on April 24, 2007 On August 1, the 4th amendment was made on January 15, 2008. The fifth amendment was made on December 26, 2008. The 6th amendment was made on November 6, 2009. The 7th amendment was made on March 25, 2010. The 8th amendment was made on June 29, 2010. The 9th amendment was made on June 27, 2011. The 10th amendment was made on June 28, 2012. The 11th amendment was made on June 27, 2013. The 12th amendment was made on June 26, 2014. The 13th amendment was made on June 25, 2005. The 14th amendment was made on June 28, 2016. The 15th amendment was made on June 23, 2007. The 16th amendment was made on May 29, 2019. The 17th amendment was made on May 26, 2022. The 18th amendment was made on May 30, 2024. The 19th amendment was made on June 5, 2025.</p>	Adding amendment date

Franbo Lines Corp

To Amend the Procedures Governing Endorsements / Guarantees Comparison Table

Article number	Original Article	Article after amendment	Reason for amendment
CX06 Procedures Governing Endorsements / Guarantees			
Article 17	If a subsidiary of the company intends to endorse or provide a guarantee for others, it shall follow the provisions of the handling guidelines and this operating procedure and report to the board of directors of the company for approval.	Where a subsidiary of the Company endorses or provides guarantees for others, it shall comply with the provisions of the "Guidelines for Handling Loans and Endorsement Guarantees of Publicly Issued Companies" and this operating procedure and submit it to the Company's board of directors for approval.	Amend control procedures for subsidiary endorsements and guarantees
Article 20	<ol style="list-style-type: none"> 1. Added endorsement to ensure whether the procedures are followed. 2. Whether the application has been completed in accordance with this operating procedure. 3. Whether to order the subsidiaries to formulate relevant measures in accordance with the operating procedures and implement them in accordance with the rules. 	<ol style="list-style-type: none"> 1. Added endorsement to ensure whether the procedures are followed. 2. Whether the application has been completed in accordance with this operating procedure. 3. Whether to supervise subsidiaries to implement this operating procedure. 	Amend control procedures for subsidiary endorsements and guarantees

Franbo Lines Corp

To Amend the Procedures for Lending Funds to Others Comparison Table

Article number	Original Article	Article after amendment	Reason for amendment
CX08 The Procedures for Lending Funds to Others			
Article 23	If a subsidiary of the company intends to lend the company's assets to others, it shall follow the "Public Issuance Company's Fund Loan and Endorsement Guarantee Handling Guidelines" and follow this operating procedure to handle the operation and report to the company's board of directors for approval.	When a subsidiary of this company lends funds to others, it shall comply with the provisions of the "Guidelines for Handling Loans and Endorsement Guarantees of Publicly Listed Companies" and handle operations in accordance with this operating procedure and submit it to the board of directors of this company for approval.	Amend the control procedures for subsidiaries' funds loaned to others
Article 26	<ol style="list-style-type: none"> Whether the increased capital loan is handled in accordance with the prescribed operating procedures. Whether the application has been completed in accordance with this operating procedure. Whether to order the subsidiaries to formulate relevant measures in accordance with the operating procedures and implement them in accordance with the rules. 	<ol style="list-style-type: none"> Whether the increased capital loan is handled in accordance with the prescribed operating procedures. Whether the application has been completed in accordance with this operating procedure. Whether to supervise subsidiaries to implement this operating procedure. 	Amend the control procedures for subsidiaries' funds loaned to others

Franbo Lines Corp

To Amend the Procedures for Asset Acquisition & Disposal Comparison Table

Article number	Original Article	Article after amendment	Reason for amendment
CX13 Procedures for Asset Acquisition & Disposal			
3.7	Procedures for controlling the acquisition or disposal of assets by subsidiaries Subsidiaries of the company should also formulate "procedures for the acquisition or disposal of assets" in accordance with these procedures. After being approved by the board of directors of the subsidiary and the shareholders' meeting, they should be sent to the company for reference, and the same applies for amendments.	Procedures for controlling the acquisition or disposal of assets by subsidiaries The acquisition or disposal of assets by subsidiaries of the Company shall be in accordance with the provisions of the "Guidelines for the Acquisition or Disposal of Assets by Public Companies" and shall be handled in accordance with these operating procedures and submitted to the Board of Directors of the Company for approval.	Amend the control procedures for the acquisition and disposal of assets by subsidiaries
4.3	Whether to urge the subsidiary to formulate relevant measures in accordance with this operating procedure, and implement them in accordance with the measures.	Whether to supervise subsidiaries to implement this operating procedure.	Amend the control procedures for the acquisition and disposal of assets by subsidiaries

Franbo Lines Corp.

Document number	Procedures for Endorsement & Guarantees	Date of establishment
CX06		June 17 th , 2009
Vision : 10		Revision Date
Total:9 pages		June 1 st , 2023

Chapter 1 (General Provisions)

Article 1:

This operating procedure is formulated with reference to the "Guidelines for Handling Fund Loan and Endorsement Guarantees of Public Offering Companies" (hereinafter referred to as "the Handling Guidelines") stipulated by the Financial Supervisory Commission of the Executive Yuan (hereinafter referred to as the "Financial Supervisory Commission"). The company's external endorsement guarantee shall be handled in accordance with this "Endorsement Guarantee Operation Procedure" (hereinafter referred to as this procedure).

Chapter 2 (Scope of Warranty)

Article 2:

The endorsement guarantee referred to in this procedure refers to the following items:

1. Financing endorsement guarantee, including:
 - (1) Ticket discount financing.
 - (2) Endorsements or guarantees for the purpose of financing other companies.
 - (3) For the purpose of the company's financing, a separate bill is issued to a non-financial institution as a guarantee.
2. Tariff endorsement guarantee: refers to the endorsement or guarantee for the company or other companies related to tax matters.
3. Other endorsements and guarantees: Refers to endorsements or guarantees that cannot be classified into the preceding two paragraphs.
4. Providing movable or immovable property to establish a pledge or mortgage for the guarantee of another company's loan.

Chapter 3 (Guarantee object)

Article 3:

1. The objects of the company's endorsement and guarantee are limited to the following:
 - (1) A company with which it has business dealings.
 - (2) Companies in which the Company directly and indirectly holds more than 50% of the voting shares.
 - (3) A company that directly or indirectly holds more than 50% of the voting shares of the company.
2. Between companies whose voting shares directly or indirectly hold more than 90% of the voting shares, the company may provide an endorsement guarantee, and the amount shall not exceed 10% of the company's net worth. However, this does not apply to inter-company endorsement guarantees in which the Company directly and indirectly holds 100% of the voting shares.
3. The company needs mutual guarantees between peers or co-constructors in accordance with contractual provisions based on the needs of contracting projects, or due to a joint investment relationship, all capital contributors endorse the invested company in accordance with their shareholding ratios, or peers in the same industry rely on consumers. The Protection Act regulates the joint guarantee of the performance guarantee of the pre-sale housing sales contract, which is not restricted by the provisions of the previous two paragraphs, and may be an endorsement guarantee.

4. The capital contribution referred to in the preceding paragraph refers to direct capital contribution by a public offering company or capital contribution through a company holding 100% of the voting shares.
5. Subsidiaries and parent companies referred to in these procedures shall be identified in accordance with the provisions of the Financial Reporting Standards for Securities Issuers. The financial reports of publicly issued companies are prepared in accordance with the International Financial Reporting Standards. The net value referred to in this procedure refers to the equity attributable to the owner of the parent company on the balance sheet stipulated in the financial report preparation standards of the securities issuer.

Chapter 4 (Amount of Guarantee)

Article 4:

1. The company's restriction on the total amount of endorsement guarantee shall not exceed "500%" of the company's latest company net worth after audit or review by an accountant (hereinafter referred to as the latest company net worth).
2. The company's restriction on the endorsement guarantee amount of a single enterprise shall not exceed "100%" of the company's most recent company net value, including subsidiaries that directly or indirectly hold more than 50% of the equity.
3. The company's endorsement guarantee amount for business dealings shall not exceed the total amount of transactions with the company in the most recent year.
4. The total amount of endorsement guaranteed by the company and its subsidiaries is "500%" of the latest company net worth of the company and its subsidiaries. The amount of endorsement guarantee for a single enterprise shall not exceed "100%" of the latest company net worth.
5. The total amount of endorsement guaranteed by the subsidiaries and sub-companies of the company is "200%" of the latest company net value of the subsidiaries and sub-companies of the company. The most recent company net worth "100%" is limited.
6. Between companies in which the Company directly and indirectly holds more than 90% of the voting shares, the amount of mutual endorsement shall not exceed 10% of the company's net worth. The inter-company endorsement guarantee of 100% of the voting shares directly and indirectly held by the company is not subject to this limitation.
7. The inter-company endorsement guarantee of 100% of the voting shares directly and indirectly held by the company shall not exceed "100%" of the latest net value of the company.
8. If the total amount of endorsements and guarantees of the company and its subsidiaries amount to more than 50% of the company's net worth in the most recent period, the necessity and rationality thereof shall be explained at the shareholders' meeting.

Chapter 5 (Seal Seal)

Article 5:

The company uses the company seal applied for registration with the Ministry of Economic Affairs as an endorsement to guarantee that the special seal will be kept by a special person, and will be printed or issued invoices according to the prescribed procedures. If it is a guarantee for a foreign company, the guarantee letter issued by the company shall be signed by a person authorized by the board of directors.

Chapter 6 (Examination Procedures)

Article 6:

Before the company endorses or provides guarantees for others, the financial department shall carefully evaluate whether it complies with the standards for the handling of capital loans and endorsement guarantees of public offering companies (hereinafter referred to as the handling rules) and the provisions of this procedure and the items listed in the following items, and then The assessment results are first submitted to the audit committee for approval, and then submitted to the board of directors for resolution. The evaluation items are as follows:

1. Necessity and reasonableness of guarantee.
2. Credit investigation and risk assessment of the subject.
3. The impact on the company's operational risks, financial status, and shareholders' equity.
4. Whether collateral and the appraised value of the collateral should be obtained.

If the preceding paragraph is not approved by more than one-half of all members of the audit committee, it may be implemented with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board meeting.

Article 6-1:

When the company and its subsidiaries endorse a subsidiary whose net value is less than half of the paid-in capital, they shall evaluate the relevant control risks and the implementation of the response plan in accordance with the provisions of Article 6 of this procedure, and report to the Audit Committee on a regular basis Report.

If the company and its subsidiaries endorse the guarantee for its subsidiary, the subsidiary has not yet fallen below half of the paid-in capital, but if there is a situation in which the paid-in capital falls below half of the paid-in capital due to subsequent changes in circumstances, It should also regularly evaluate the relevant control risks and the implementation of the response plan every year, and report to the audit committee.

If the shares of the subsidiary have no par value or the par value of each share is not NT\$10, the paid-in capital referred to in the preceding paragraph shall be the total of the share capital plus capital reserve - issuance premium.

Chapter 7 (Endorsement Guarantee Operating Procedures)

Section 1 Application and Cancellation

Article 7:

1. The application for the company's endorsement guarantee must be filled out by the application department in the "Endorsement Guarantee (Cancellation) Application Form", which details the company name (endorsement guarantee object), type, reason and amount, and is submitted to the approval authority for approval.
2. When the guarantee expires, the financial unit shall fill in the "Application Form for Endorsement Guarantee (Cancellation)", check the cancellation column, submit it for approval according to the approval authority, and publish it on the "Endorsement Guarantee Reference Book".

Section 2 Verification Authority and Excess Endorsement Guarantee

Article 8:

1. The company shall first submit the endorsement and guarantee matters to the audit committee for approval, and then to the board of directors for approval. Without the consent of more than one-half of all members of the audit committee, it may be implemented with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board meeting.
2. When necessary, the board of directors may authorize the chairman of the board of directors to make a decision within the latest "50%" of the company's net value in accordance with the relevant provisions of these regulations, and then report to the latest audit committee and the board of directors for ratification, and will handle the relevant circumstances Report to the shareholders meeting for future reference.
3. When it is necessary to exceed the amount set by the endorsement guarantee due to business needs, it shall be submitted to the board of directors for resolution with the approval of the audit committee, and more than half of the directors shall sign a joint guarantee for the possible losses caused by the company's excess limit, and amend the endorsement guarantee operation The procedures shall be ratified by the shareholders' meeting; if the shareholders' meeting disagrees, a plan shall be made to eliminate the exceeding limit within a certain period of time.
4. Subsidiaries of the company that directly and indirectly hold more than 90% of the voting shares shall submit an endorsement guarantee in accordance with Article 3, Paragraph 4, and shall submit the resolution to the board of directors of the parent company before proceeding. However, this does not apply to inter-company endorsement guarantees in which the Company directly and indirectly holds 100% of the voting shares.

Section 3 Detailed Reference Book

Article 9:

The company's endorsement guarantee shall be based on the "Endorsement Guarantee (Cancellation) Application Form" completed by the endorsed guarantee company, and shall establish the "Endorsement Guarantee (Cancellation) Reference Book" to determine the endorsement guarantee object, amount, approval by the board of directors or chairman of the board of directors. The date of decision, date of

endorsement, and matters that should be carefully evaluated in accordance with the provisions of Article 6 are published in detail for future reference.

Section 4 Submission to the Shareholders' Meeting for Reference

Article 10:

The financial department of the company shall submit the endorsement and guarantee status and related materials for each business year to the next shareholders' meeting for reference.

Section 5 Checking

Article 11:

The company's audit unit should audit the procedure and its implementation at least quarterly, and make a written record. If major violations are found (including the company or a subsidiary's endorsement of a subsidiary whose net value is less than half of the paid-in capital), shall promptly notify the Audit Committee in writing.

Chapter VIII (Announcement and Declaration)

Section 1 Monthly Announcement and Declaration

Article 12

The company announces and declares the endorsement guarantee balance of the company and its subsidiaries for the previous month before the tenth day of each month.

Section 2 Announcement and declaration within two days

Article 13:

If the balance of the company's endorsement guarantee reaches one of the following standards, it shall announce and declare within two days from the date of the occurrence of the fact:

1. The balance of the company's and its subsidiaries' endorsement guarantees is more than 50% of the company's most recent company net worth.
2. The balance of the company's and its subsidiaries' endorsement guarantees for a single enterprise is more than 20% of the company's latest financial statement net value.
3. The company and its subsidiaries have endorsed and guaranteed a single enterprise with a balance of more than NT\$10 million, and the total book value of the investment book value and capital loans and balances of the endorsed guarantee and equity method have reached the latest financial statement of the public company. The reported net worth is more than 30%.
4. The new endorsement guarantee amount of the company and its subsidiaries is more than NT\$30 million and more than 5% of the company's most recent company net worth.

Section 3 Announcement and Declaration of Subsidiaries

Article 14:

If a subsidiary of the company is not a domestic public offering company, the company shall do so if the subsidiary has matters that should be announced and reported in the preceding paragraphs.

The calculation of the proportion of the balance of the subsidiary's endorsement guarantee to the net value of the preceding paragraph shall be calculated based on the proportion of the balance of the subsidiary's endorsement guarantee to the net value of the company.

1. The company shall enter the balance of the endorsement guarantee of the company and its subsidiaries in the previous month into the Public Information Observatory before the 10th of each month.
2. If the company's endorsement guarantee balance reaches one of the following standards, it shall be entered into the Public Information Observatory within two days from the day when the fact occurs:
 - (1) The balance of endorsements and guarantees by the company and its subsidiaries is more than 50% of the company's latest net worth.
 - (2) The balance of the company's and its subsidiaries' endorsement guarantees for a single enterprise is more than 20% of the company's latest net worth.
 - (3) The company and its subsidiaries have endorsed and guaranteed a single enterprise with a balance of more than NT\$10 million, and the total book value of the investment book amount and capital loan and balance of the endorsed guarantee, equity method, and the balance of the company's latest company 30% or more of net worth.
 - (4) The new endorsement guarantee amount of the company and its subsidiaries is more than NT\$30 million and more than 5% of the company's latest net worth.
3. If the subsidiary company of the company is not a domestic public offering company, the company shall do so if the subsidiary company has matters that should be entered into the Public Information

Observatory in Subparagraph 4 of the preceding paragraph. The calculation of the ratio of the new endorsement guarantee amount of the subsidiary company to the net value of the preceding paragraph shall be calculated based on the ratio of the newly added endorsement guarantee amount of the subsidiary company to the net value of the company.

4. The company shall evaluate or recognize the contingent loss of the endorsement guarantee in accordance with the provisions of Financial Accounting Standards No. 9, appropriately disclose relevant information in the financial report, and provide relevant information to certified accountants to perform necessary verification procedures.

Section 4 Application Website

Article 15:

Announcement reporting referred to in this procedure refers to inputting information to the information reporting website designated by the Financial Supervisory Commission of the Executive Yuan. The date of fact occurrence mentioned in this standard refers to the date of signing, payment date, resolution date of the board of directors, or other date on which the endorsement guarantee object and amount are fully determined, whichever is earlier.

Chapter 9 (Financial Information)

Article 16:

The company shall evaluate or recognize the contingent loss of the endorsement guarantee and properly disclose the endorsement guarantee information in the financial report, and provide relevant information to the certified accountant to perform the necessary verification procedures.

Chapter 10 (Control Procedures for Subsidiaries' Endorsements and Guarantees)

Article 17:

If a subsidiary of the company intends to endorse or provide a guarantee for others, it shall follow the provisions of the handling guidelines and this operating procedure and report to the board of directors of the company for approval.

A subsidiary of the Company that is a domestic public offering company shall handle the announcement and declaration matters in accordance with the regulations.

Subsidiaries of the company shall submit the endorsement and guarantee details for the previous month to the company for collection before the fifth day of each month.

Subsidiaries of the Company shall check by themselves whether the various endorsements and guarantees are handled in accordance with the established operating procedures.

The audit unit of the company shall review the self-inspection report of the subsidiary.

Chapter 11 (Penalty)

Article 18:

The company's external endorsement and guarantee shall be handled in accordance with the handling guidelines and the provisions of this procedure. If the manager or sponsor violates the regulations and causes serious damage to the company or the circumstances are serious, the company will punish the company according to the relevant personnel regulations.

Chapter 12 (Enforcement and Amendment)

Article 19:

This procedure should first be approved by more than half of all members of the audit committee, and then passed by the resolution of the board of directors, and submitted to the shareholders' meeting for approval. If there is no consent of more than half of all members of the audit committee, more than two-thirds of all directors agree to do so, and the resolution of the audit committee shall be recorded in the minutes of the board meeting. The same applies to corrections.

Article 20:

Article 165-1 of the Securities Exchange Law stipulates that a foreign company (hereinafter referred to as a foreign company) that endorses or provides guarantees for others shall apply the provisions of the handling guidelines mutatis mutandis.

If the foreign company does not have a seal, the provisions of Article 12, Paragraph 1, Subparagraph 7 and Article 17, Paragraph 4 of the Handling Guidelines may not apply.

The net worth of a foreign company calculated in accordance with the provisions of this treatment standard refers to the equity attributable to the owner of the parent company on the balance sheet.

*Key points of control:

1. Added endorsement to ensure whether the procedures are followed.

2. Whether the application has been completed in accordance with this operating procedure.
3. Whether to order the subsidiaries to formulate relevant measures in accordance with the operating procedures and implement them in accordance with the rules.

*According to the information:

1. Guidelines for handling capital loans and endorsement guarantees of public offering companies.
2. Minutes of board meetings.
3. CX06-C Direct or Indirect Investment Subsidiary Endorsement Guarantee Ratio Limitation Table

* Related forms:

1. CX06-A Endorsement Guarantee (Cancellation) Application Form
2. CX06-B endorsement guarantee (cancellation) reference book
3. Signing

CX06-C List of endorsement guarantee ratio restrictions for direct or indirect investment subsidiaries

The endorsement guarantee operation of the company's direct or indirect investment subsidiaries (the company name is as follows) is handled in accordance with the "CX06 Procedure of making Endorsement or Guarantees of The Company" of Franbo Lines Corp.

Company Name	Franbo Lines Group	New Lucky Lines S.A.	Uni-Morality Lines limited	Franbo Asset Management Co., Ltd. and its controlled subsidiaries	other (None of the former are included)
The company's restriction on the total amount of endorsement guarantee shall not exceed "N1%" of the company's net value in the latest statement (hereinafter referred to as the latest company net value). The individual endorsement guarantee amount shall not exceed "N2%" of the latest company's net worth.	N1=200 N2=100	N1=200 N2=100	N1=300 N2=100	N1=200 N2=100	N1=500 N2=400

Form number: CX06-C (date of establishment: 2013.06.27)

Franbo Lines Corp.

Document number	Operational Procedures for Lending Funds to Others	Date of establishment
CX08		June 17 th , 2009
Vision : 7		Revision Date
Total:9 pages		June 1 st , 2023

Chapter I (General Provisions)

Article 1:

This operating procedure is formulated with reference to the "Guidelines for Handling Fund Loans and Endorsement Guarantees of Public Offering Companies" (referred to as the "handling guidelines") stipulated by the Financial Supervisory Commission of the Executive Yuan (hereinafter referred to as the "Financial Supervisory Commission").

Chapter II (Loans and Objects)

Article 2:

In accordance with Article 15 of the Company Law, the company's funds shall not be loaned to shareholders or any other person except in the following circumstances:

The objects to whom the company lends funds (hereinafter referred to as the borrower) are limited to those listed in the following items:

- (1) Companies that have business dealings with this company; (hereinafter referred to as business dealings)
- (2) Companies that have no business relationship with this company but need short-term financing. (hereinafter referred to as "necessary for short-term financing"), the term "short-term" refers to a period not exceeding one year. In addition, capital loans between foreign companies that directly and indirectly hold 100% of the voting shares of the company, or foreign companies that directly and indirectly hold 100% of the voting shares of the company to the company are not subject to the restrictions of the second paragraph. However, the limits and deadlines for the total amount of capital loans and individual objects shall still be determined in accordance with Article 9, Subparagraphs 3 and 4 of the Handling Guidelines.

Chapter III (Limits on Fund Loans)

Article 3:

The company's total loan funds to various borrowers shall not exceed "20%" of the company's latest company net worth after audit or review by an accountant (hereinafter referred to as the latest company net worth).

Restrictions on the amount of funds loaned by the company to individual objects:

- (1) For those who have business dealings, the amount of individual loans shall not exceed the amount of business dealings between the two parties. The so-called business transaction amount refers to the actual purchase and sales amount or transaction amount in the previous year when the loan contract between the two parties was established.
- (2) The total amount of loans to those who need short-term financing shall not exceed "20%" of the latest company net worth. The individual loan amount shall not exceed "10%" of the latest company's net worth. In addition, capital lending between foreign companies directly or indirectly holding 100% of the

voting shares of the company is not restricted by this article, and the ratio is determined separately. However, the limits and deadlines for the total amount of capital loans and individual objects shall still be determined in accordance with Article 9, Subparagraphs 3 and 4 of the Handling Guidelines.

Chapter 4 (Reason and Necessity of Lending Funds to Others)

Article 4:

The company's loans and funds to those in need of short-term financing are limited to the following:

(1) The company can lend funds to the following objects, and there is a need for short-term financing due to needs;

1. A subsidiary of the company.
2. The parent company of the company.

(2) Other loans approved by the board of directors of the company.

Subsidiaries and parent companies referred to in these operating procedures shall be identified in accordance with the provisions of the Financial Reporting Standards for Securities Issuers.

The financial reports of publicly issued companies are prepared in accordance with the International Financial Reporting Standards. The net worth referred to in these operating procedures refers to the equity attributable to the owner of the parent company on the balance sheet stipulated in the financial report preparation standards of the securities issuer.

Chapter 5 (Examination Procedures)

Article 5:

When the company handles the loan of funds, the borrower should first submit the necessary financial information and apply for a financing line to the financial department of the company. The financial department should prudently evaluate whether it complies with the guidelines for the handling of fund loans and endorsement guarantees of publicly issued companies (hereinafter referred to as Handling criteria) and the provisions of this operating procedure and the matters listed in the following items shall be

The evaluation results are first submitted to the audit committee for approval, and then submitted to the board of directors for resolution. The evaluation items are as follows:

- (1) Necessity and rationality of lending funds to others.
- (2) Credit investigation and risk assessment of loan recipients.
- (3) The impact on the company's operating risks, financial status and shareholders' equity.
- (4) Whether collateral and the appraised value of the collateral should be obtained.

If the preceding paragraph has not been approved by more than one-half of all members of the audit committee, it may be implemented with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board meeting.

The company's capital loan is to the borrower. In addition to requiring the borrower to sign a capital loan contract with the company, the application department should evaluate whether it should obtain the following collateral or collateral:

1. Guaranteed notes of the same amount.
2. Or endorsed by a guarantor approved by the company or movable or immovable property.

Chapter 6 (Fund Loans and Handling Procedures)

Section 1 Application

Article 6:

(1) For the application of the company's capital loan, the application department shall issue a signature and a written evaluation report. After the evaluation by the financial department, the evaluation

result shall be submitted to the audit committee for approval, and then submitted to the board of directors for resolution. No other person shall be authorized to make a decision. .

- (2) After the board of directors approves the capital loan and quota, when the actual working capital loan is used, the application department fills out the "fund loan (repayment) application form" and submits it to the chairman's decision to handle the appropriation.

Section 2 Approval and Excess Fund Loan

Article 7:

The loan of capital between the company and its parent company or subsidiaries, or between its subsidiaries, shall be resolved by the board of directors in accordance with the provisions of the preceding paragraph, and the chairman may authorize the chairman of the board of directors to make a certain amount of the same loan object and not exceed one year in installments or revolving loans during the period.

Article 8:

When the company's circumstances change, resulting in the capital loan being inconsistent with the requirements or the loan balance exceeding the limit, it shall formulate an improvement plan, submit the relevant improvement plan to the Audit Committee, and complete the improvement according to the planned schedule.

Section 3 Signing of Loans and Contracts

Article 9:

- (1) After credit investigation and evaluation, if the loan is not proposed, the financial department should reply to the borrower as soon as possible after signing and verifying the reason for the refusal.
- (2) After the credit investigation and evaluation, the financial department will fill out the credit investigation report and review opinions, and prepare the loan conditions, and submit them to the board of directors for approval step by step. After the loan case is approved, the financial department and the borrower complete the relevant procedures (for example: contract, guarantee, collateral setting, insurance operation, appropriation, etc.).

Article 10:

If the borrower applies for a fund loan in accordance with the company's regulations, the financial department shall only lend the fund to others after signing the fund loan contract and completing relevant procedures (such as: insurance, collateral setting, insurance operations, etc.), To ensure the company's creditor's rights.

Section 4 Detailed Reference Book

Article 11:

The financial department of the company handles the loan of funds, and shall, on the date when the fact occurs, publish in detail the loan recipients of each fund, the date of approval by the board of directors, the date of loan of funds, and the amount of funds to be loaned. Reference Book for Others".

Section 5 Annual Information for Reference

Article 12: Deletion.

Chapter 7 (Lending Period and Interest Calculation Method)

Article 13:

The term of the company's capital loan shall not exceed one year. However, if there is a need for short-term financing and the business cycle is longer than one year, the business cycle shall prevail. When the company directly or indirectly holds 100% of the voting shares between foreign companies and the company directly or indirectly holds 100% of the voting shares, when it engages in capital loans

to the company, the financing period is not limited by the preceding paragraph. The term shall not exceed five years.

Article 14:

The interest of financing funds is calculated at a floating rate, and it is adjusted flexibly depending on the company's capital cost. When adjusting the interest rate, the financial department will submit it to the chairman for approval before implementation. The interest receivable is settled monthly. Interest calculation method: It is decided by the board of directors. The interest rate of related party loans can be calculated without interest according to the situation, but it needs to be stipulated in a written contract.

Chapter 8 (Follow-up Control and Procedures for Handling Overdue Claims)

Section 1 Follow-up Control

Article 15:

After the loan is granted, the financial department should always pay attention to the financial, business and related credit status of the borrower and the guarantor; if there is any collateral provided, it should also pay attention to whether there is any change in the value of the collateral, and immediately report any major changes Chairman of the board, and deal with it appropriately according to instructions.

Article 16:

The company's audit unit should audit the operating procedures and their implementation at least quarterly, and make written records. If major violations are found, they should immediately notify the audit committee in writing.

Section 2 Procedures for Handling Overdue Claims

Article 17:

When the loan expires, the borrower shall pay off the principal and interest immediately, otherwise the Company shall pursue the repayment according to law.

Chapter 9 (Announcement and Declaration Procedures)

Section 1 Monthly Announcement and Declaration

Article 18:

The company shall announce and declare the loan and balance of funds of the company and its subsidiaries in the previous month before the tenth day of each month.

Section 2 Announcement and declaration within two days

Article 19:

1. If the company's fund loan and balance meet one of the following standards, it shall be entered into the Public Information Observatory within two days from the day when the fact occurs:
 - (1) The balance of the company's and its subsidiaries' capital loans to others is more than 20% of the company's latest company statement net worth.
 - (2) The loan balance of the company and its subsidiaries to a single enterprise is more than 10% of the net value of the company's latest corporate statement.
 - (3) The company and its subsidiaries' newly added funds and loans amount to more than NT\$10 million and more than 2% of the company's latest company statement net worth.
2. If the subsidiary company of the company is not a domestic public offering company, if the subsidiary company has matters that should be announced and reported in paragraph 3, the company shall do so. The calculation of the proportion of the new capital loan amount of the subsidiary company in the preceding paragraph to the net value shall be calculated based on the proportion of the new capital loan amount of the subsidiary company to the net value of the company's statement.

Section III (deleted)

Article 20 (deleted)

Section 4 Application Website

Article 21:

Announcement reporting referred to in these operating procedures refers to the entry into the information reporting website designated by the Financial Supervisory Commission of the Executive Yuan. The date of occurrence of the fact mentioned in this operating procedure refers to the date of the signing date, payment date, resolution date of the board of directors, or other date on which the loan object and the amount of funds are fully determined, whichever is earlier.

Chapter 10 (Financial Information)

Article 22:

The company shall assess the situation of capital loans and provide adequate allowance for bad debts, and appropriately disclose relevant information in the financial report, and provide relevant information to certified accountants to perform necessary verification procedures.

Chapter 11 (Procedures for the Control of Subsidiary Funds Loaned to Others)

Article 23:

If a subsidiary of the company intends to lend the company's assets to others, it shall follow the "Public Issuance Company's Fund Loan and Endorsement Guarantee Handling Guidelines" and follow this operating procedure to handle the operation and report to the company's board of directors for approval.

Chapter 12 (Check)

Article 24:

When the company lends funds to others, it should really follow the handling guidelines and the provisions of this operating procedure. If the manager or sponsor violates the regulations and causes serious damage to the company or the circumstances are serious, the company will punish it in accordance with relevant personnel regulations .

Chapter 13 (Enforcement and Amendment)

Article 25:

This procedure should first be approved by more than half of all members of the audit committee, and then passed by the resolution of the board of directors, and submitted to the shareholders' meeting for approval. If there is no consent of more than half of all members of the audit committee, more than two-thirds of all directors agree to do so, and the resolution of the audit committee shall be recorded in the minutes of the board meeting. The same applies to corrections.

Article 26:

When a foreign company (hereinafter referred to as a foreign company) handles capital lending to others as stipulated in Article 165-1 of the Securities Exchange Law, it shall apply the provisions of the handling guidelines mutatis mutandis.

If the foreign company does not have a seal, the provisions of Article 12, Paragraph 1, Subparagraph 7 and Article 17, Paragraph 4 of the Handling Guidelines may not apply.

The net worth of a foreign company calculated in accordance with the provisions of this treatment standard refers to the equity attributable to the owner of the parent company on the balance sheet.

* Key points of control:

1. Whether the increased capital loan is handled in accordance with the prescribed operating procedures.
2. Whether the application has been completed in accordance with this operating procedure.
3. Whether to order the subsidiaries to formulate relevant measures in accordance with the operating procedures and implement them in accordance with the rules.

* According to the information:

1. Guidelines for handling capital loans and endorsement guarantees of public offering companies
2. Minutes of Board Meetings
3. CX08-C Restrictions on the ratio of capital loans to others for direct or indirect investment subsidiaries

* Related forms:

1. CX08-A Fund Loan (Repayment) Application Form
2. CX08-B capital loan and other people's reference book
3. Signing

CX08-C Restrictions on capital loans to others for direct or indirect investment subsidiaries

The company's direct or indirect investment subsidiaries (company name below) lend funds to others, except for the limit as shown in the table below, and the rest shall be handled in accordance with Franbo Lines Corp.'s "CX08 Fund Lending to Others Operating Procedures."

Ratio/Company Name	New Lucky Lines S.A.	Uni-Morality Lines Limited	Other(Non of the former are included)
The company's total loan funds to the borrowers in the first paragraph of the preceding article shall not exceed the company's net value in the latest statement (hereinafter referred to as the latest company net value) "N%"	N=100	N=100	N=100
The total amount of loans to those who need short-term financing shall not exceed the latest "N1%" of the company's net worth. The individual loan amount shall not exceed "N2%" of the latest company's net worth.	N1=100 N2=30	N1=100 N2=100	N1=100 N2=100

Form number: CX08-C (date of establishment: 2013.06.27)

Franbo Lines Corp.

Document number	The Rules and Procedures for Acquisition or Disposal of Assets.	Date of establishment
CX13		June 17 th , 2009
Vision : 8		Revision Date
Total:12 pages		May 29 th , 2019

1. Scope of application and definition of terms:

In order to strengthen asset management and implement information disclosure, this handling procedure is amended according to the "Guidelines for the Handling of Assets Acquired or Disposed by Public Companies".

1.1 The scope of application of the "assets" referred to in this procedure:

1.1.1 Investment in stocks, public bonds, corporate bonds, financial bonds, domestic beneficiary certificates, marketable securities of commendation funds, overseas mutual funds, depositary receipts, subscription (sell) warrants, beneficiary securities and asset-based securities.

1.1.2 Real estate (including land, houses and buildings, investment real estate, and inventories in the construction industry) and equipment.

1.1.3 Membership Card.

1.1.4 Intangible assets such as patents, copyrights, trademarks, and licenses.

1.1.5 Right-of-use assets.

1.1.6 Creditor's rights of financial institutions (including receivables, discounts on foreign exchange purchases, loans, and collections).

1.1.7 Derivatives.

1.1.8 Assets acquired or disposed of through merger, division, acquisition or share transfer in accordance with the law.

1.1.9 Other important assets.

1.2 Definition of terms:**1.2.1 Derivatives:**

means a forward contract, option contract, futures contract, leveraged margin contract, the value of which is derived from a specific interest rate, financial instrument price, commodity price, exchange rate, price or rate index, credit rating or credit index, or other variable Exchange contracts, combinations of the above contracts, or combined contracts or structured commodities embedded in derivative commodities. The so-called forward contracts do not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts and long-term purchase (sale) contracts.

1.2.2 Assets acquired or disposed of through merger, division, acquisition or share transfer in accordance with the law:

Refers to the assets acquired or disposed of through merger, division or acquisition in accordance with the Mergers and Acquisitions Act, the Financial Holding Company Act, the Financial Institutions Merger Act or other laws, or the issuance of new shares in accordance with the provisions of Article 156-3 of the Company Act to be transferred to others Company shares (hereinafter referred to as the transferee of shares).

1.2.3 Related parties and subsidiaries:

It shall be determined in accordance with the financial report preparation standards of securities issuers.

1.2.4 Professional appraisers:

Refers to real estate appraisers or other persons who are legally allowed to engage in real estate and equipment appraisal business.

1.2.5 Date of fact:

It refers to the date of signing the transaction, the date of payment, the date of entrusted transaction, the date of transfer, the date of resolution of the board of directors, or any other date

that is sufficient to determine the transaction object and transaction amount. However, for investors that need to be approved by the competent authority, the above opening date or the date of receiving the approval from the competent authority shall prevail.

1.2.6 Investment in Mainland China:

Refers to Mainland investments made in accordance with the provisions of the Investment Review Committee of the Ministry of Economic Affairs in the Mainland Area for Investment or Technical Cooperation Licensing Regulations.

1.2.7 The most recent financial statement:

Refers to the company's most recent financial statements that have been audited, certified or reviewed by an accountant in accordance with the law before acquiring or disposing of assets.

1.2.8 All members of the audit committee: refer to the actual members of the audit committee.

1.2.9 The requirement of 10% of total assets shall be calculated based on the amount of total assets in the most recent individual or individual financial report stipulated in the financial reporting standards of securities issuers.

The transaction amount of 20% of the paid-in capital shall be calculated on the basis of 10% of the equity attributable to the owner of the parent company.

2. Powers and Responsibilities: The Finance Division is responsible for various businesses, and other relevant units assist.

3. Workflow:

Chapter 1 General Provisions

3.1 Evaluation Procedure:

3.1.1 When the company acquires or disposes of long-term and short-term securities investment or engages in derivative commodity trading, the financial department shall analyze the relevant benefits and evaluate the possible risks; The unit draws up a capital expenditure plan in advance, and conducts a feasibility assessment on the purpose of acquisition or disposal, expected benefits, etc.; if it is a related party transaction, it should evaluate the rationality of transaction conditions and other matters in accordance with the provisions of Chapter 2 of this handling procedure.

3.1.2 When the company acquires or disposes of securities, it shall obtain the most recent financial statements or other relevant information of the subject company that has been audited or reviewed by an accountant before the date of the fact, as a reference for evaluating the transaction price. Securities, privately placed securities, intangible assets or their right-of-use assets, or membership cards traded or traded at an OTC trading center amount to 20% of the company's paid-in capital or NT\$300 million or more, except for domestic government agencies In addition to the transaction, the accountant should be contacted to express their opinion on the reasonableness of the transaction price before the date of the fact.

However, this does not apply if the securities are publicly quoted in an active market or otherwise stipulated by the Financial Supervisory Commission.

3.1.3 If the acquisition or disposal of real estate, equipment or its right-of-use assets amounts to 20% of the company's paid-in capital or NT\$300 million or more, it shall, in addition to transactions with domestic government agencies, be carried out before the date of the fact. Those who obtain objective and fair professional appraisals will issue appraisal reports and follow the asset appraisal procedures of this procedure.

3.1.4 For merger, division, acquisition or transfer of shares, the company shall, before convening a resolution of the board of directors, appoint an accountant, lawyer or securities underwriter to make a reasonable decision on the share conversion ratio, purchase price or allotment of cash or other property to shareholders express their opinions and submit them to the board of directors for discussion and approval.

3.1.5 The price determination method and reference basis of the assets acquired or disposed of by the company shall be handled in accordance with the following circumstances, in addition to taking into account the opinions of relevant experts such as professional valuation and accountants in accordance with the aforementioned provisions:

3.1.5.1 The acquisition or disposal of securities that have been traded on the centralized trading market or the OTC center shall be determined according to the equity or bond prices at that time.

- 3.1.5.2 To acquire or dispose of securities that are not traded on centralized exchanges or over-the-counter trading centers, their net worth per share, technology and profitability, future development potential, market interest rates, bond coupon rates, and debtor credit, etc. shall be considered, and reference The most recent transaction price at that time was negotiated.
- 3.1.5.3 To obtain or dispose of membership cards, the benefits that can be generated should be considered, and the latest transaction price should be negotiated at that time; the acquisition or disposal of intangible assets such as patents, copyrights, trademarks, and licenses should refer to international or market practices, available The period of use and the impact on the company's technology and business are negotiated.
- 3.1.5.4 The acquisition or disposal of real estate, equipment or its right-to-use assets should be negotiated with reference to the current value of the announcement, the assessed current value, the actual transaction price or book value of the adjacent real estate, and the quotation of the supplier. If the real estate or the right-to-use asset is purchased from a related party, it shall first be calculated according to the methods specified in Chapter 2 of this procedure to evaluate whether the transaction price is reasonable.
- 3.1.5.5 The trading of derivatives shall be based on the trading conditions of the futures market, the trend of exchange rates and interest rates, etc.
- 3.1.5.6 The business nature, net value per share, asset value, technology and profitability, production capacity and future growth potential should be considered in the merger, division, acquisition or transfer of shares.
- 3.1.6 The calculation of the transaction amount in Articles 3.1.2 and 3.1.3 of these Regulations shall be handled in accordance with Article 3.4.1.5 of these Regulations, and the term within one year shall be based on the date of the actual occurrence of the transaction. Retrospective calculation one year ahead, and the part of the valuation report or accountant's opinion issued by a professional valuation person who has obtained a professional valuation in accordance with the provisions of this standard is exempted from the calculation.
- 3.2 Authorization amount and level
- 3.2.1 Marketable Securities:
- The chairman is authorized to conduct transactions within the quota specified in 3.6 of this procedure. Those who meet the requirements for notification and declaration in 3.4 must be ratified by the most recent board of directors.
- However, if the acquisition or disposal of stocks, corporate bonds, and privately-held securities that are not traded on the centralized exchange market or OTC center, and the transaction amount reaches the standard of announcement and declaration, it should be approved by the board of directors first. On the other hand, mainland investment should be approved by the shareholders' meeting or authorized by the board of directors to implement, and can only be carried out after applying to the Investment Review Committee of the Ministry of Economic Affairs for approval.
- 3.2.2 Mainland investment:
- It should be approved by the shareholders meeting or the board of directors authorized by the shareholders meeting to implement, and can only be carried out after applying to the Investment Review Committee of the Ministry of Economic Affairs for approval.
- 3.2.3 Derivatives Trading
- 3.2.3.1 Hedging transactions: According to the company's turnover and changes in risk positions, the chairman of the board appoints personnel, and the single or cumulative transaction position is less than US \$ 10 million (including equivalent currencies) for transactions, more than US \$ 10 million The above shall be approved by the chairman of the board.
- 3.2.3.2 Non-risk hedging transactions: In order to reduce risks, a single or cumulative transaction position below US\$1 million (including equivalent currencies) must be approved by the chairman of the board. related transactions.
- 3.2.3.3 In order to enable the company's authorization to cooperate with the bank's relative supervision and management, the authorized transaction personnel must inform the bank.
- 3.2.3.4 Derivative commodity transactions conducted pursuant to the aforementioned authorization shall be reported to the most recent board of directors after the event.
- 3.2.4 Transactions with related parties:

Relevant materials shall be prepared in accordance with the provisions of Chapter 2 of these procedures, which shall be approved by more than one-half of all members of the audit committee and submitted to the board of directors for approval.

3.2.5 Merger, division, acquisition or transfer of shares:

Relevant procedures and relevant materials shall be handled in accordance with the provisions of Chapter 4 of these handling procedures, among which mergers, divisions and acquisitions shall be carried out after the resolution of the shareholders' meeting, but the convening of the shareholders' meeting resolution is exempted in accordance with other laws and regulations. In addition, the transfer of shares shall be made after the approval of the board of directors.

3.2.6. Others:

3.2.6.1 It shall be handled in accordance with the operating procedures stipulated in the internal control system and approval authority. If the transaction amount reaches the announcement and reporting standards in 3.4, except for the acquisition or disposal of equipment for business use, which may be reported to the board of directors for ratification, the rest shall first be approved by the board of directors. pass. If there is any circumstance stipulated in Article 185 of the Company Law, it shall be approved by the shareholders' meeting first.

3.3 Execution unit and transaction process:

3.3.1 The executive unit of the company's long-term and short-term securities investment and derivatives trading is the financial department and the personnel designated by the chairman of the board.

3.3.2 The execution unit of real estate or its right-to-use assets and other assets shall be the user department and the relevant authority; the execution unit shall be designated by the chairman of the board of directors for merger, division, acquisition or transfer of shares.

3.3.3 After the acquisition or disposal of assets has been assessed and approved according to regulations, the execution unit will carry out the transaction process of contract, payment, delivery and acceptance, and handle it according to the nature of the assets and the relevant operating procedures of the internal control system.

3.3.4 The acquisition of immovable property or its right-to-use assets from a related party, the transaction of derivatives, and the merger, division, acquisition or transfer of shares shall be handled in accordance with the provisions of Chapters 2 to 4 of this procedure.

3.3.5 The company shall not give up the capital increase of New Lucky Lines S.A. and Lide Shipping Co., Ltd. in the future; Capital increase in future years; Lide Shipping Co., Ltd. shall not give up the capital increase of Justice Shipping Co., Ltd. and Zhengxiang Shipping Co., Ltd. in future years; Franbo Sagacity S.A. shall not give up the capital increase of TW Hornbill Line S.A. For the consideration of strategic alliances or other approvals by the OTC Center, the companies must give up the capital increase in the company or dispose of the company, which must be approved by a special resolution of the company's board of directors.

3.4 Announcement and declaration procedures:

3.4.1 When the company acquires or disposes of assets, under the following circumstances, it shall, according to its nature and format, report the relevant information on the website designated by the Securities and Futures Bureau within two days from the date of the occurrence of the fact.

3.4.1.1 Acquire or dispose of real estate or its right-of-use assets from a related party, or acquire or dispose of other assets other than real estate or its right-of-use assets with a related party and the transaction amount reaches 20% of the company's paid-in capital and total assets 10% or more than NT\$300 million. However, this does not apply to the purchase and sale of domestic public bonds, bonds subject to repurchase or sell-back conditions, and the subscription or buy-back of money market funds issued by domestic securities investment trust enterprises.

3.4.1.2 Delete.

3.4.1.3 Merger, division, acquisition or share transfer.

3.4.1.4 The loss from the derivative commodity transaction reaches the upper limit of total or individual contract losses as specified in 3.13.4 of Chapter III of this procedure.

3.4.1.5 Asset transactions other than the preceding three points, financial institutions disposing of debts or engaging in investment in the mainland area, the amount of each transaction, or the accumulated amount of transactions of the same nature acquired or disposed of with the same counterparty within one year, or one year The amount of the real estate or its right-of-use assets of the same development plan accumulated or disposed within one year (accumulated separately for

acquisition and disposal), or the amount of accumulated acquisition or disposal (accumulated for acquisition and disposal) of the same negotiable securities within one year, shall reach the actual amount received by the company. 20% of the capital or more than NT\$300 million. The term within one year is based on the date of the actual occurrence of the transaction, and is retrospectively calculated for one year, and the part that has been announced in accordance with the "Standards for the Treatment of Assets Acquired or Disposed by Public Companies" is exempted from re-counting. However, the following circumstances are not limited to this:

- 3.4.1.5.1 Buying and selling domestic government bonds or foreign public bonds with a credit rating not lower than my country's sovereign rating
- 3.4.1.5.2 Buy and sell bonds with buyback and sellback conditions, and purchase or buyback money market funds issued by domestic securities investment trust enterprises.
- 3.4.1.5.3 The assets acquired or disposed of are equipment for business use or right-to-use assets, and the transaction object is not a related person, and the transaction amount does not exceed NT\$500 million.
- 3.4.1.5.4 For the acquisition of real estate in the form of self-construction, leased land, co-construction, sub-construction, co-construction and sub-sale, the company expects to invest less than NT\$500 million in transaction amount.
- 3.4.2 The company shall, on a monthly basis, enter the information reporting website designated by the Securities and Futures Bureau on the information reporting website designated by the Securities and Futures Bureau before the tenth day of each month in accordance with the format specified in the attached table on the situation of the company and its subsidiaries that are not domestic public offering companies engaged in derivatives transactions as of the end of last month. .
- 3.4.3 If there are any errors or omissions in the announcement and should be corrected, all the projects should be re-announced and declared within two days from the date of knowledge.
- 3.4.4 For a transaction that has been announced and declared in accordance with 3.4.1., if any of the following circumstances occurs, the relevant information shall be announced and declared on the website designated by the Securities and Futures Bureau within two days from the date of the occurrence of the fact:
 - 3.4.4.1 The related contract signed by the original transaction has been changed, terminated or cancelled.
 - 3.4.4.2 The merger, division, acquisition or share transfer is not completed according to the schedule scheduled in the contract.
 - 3.4.4.3 The content of the original announcement has been changed.
- 3.4.5 If the subsidiary of the company is not a domestic public offering company, and the acquisition or disposal of assets is subject to announcement and declaration as stipulated in 3.4.1, the company shall do so. Subsidiaries in the preceding paragraph shall be subject to the requirements on the amount of paid-in capital or total assets stipulated in Article 3.4.1.1 of the reporting standards to be announced, and the amount of paid-in capital or total assets of the company shall prevail.

3.5 Asset Valuation Procedures:

The company acquires or disposes of real estate, equipment or its right-of-use assets, except for transactions with domestic government agencies, self-contracted construction, leased land for construction, or acquisition or disposal of equipment for business use or its right-of-use assets, the transaction amount is up to If the company's paid-in capital is 20% or more than NT\$300 million, a valuation report issued by a professional appraiser shall be obtained before the date of the fact, and shall meet the following requirements. However, if the company acquires or disposes of assets through the court auction process, the court-issued certification documents may be used in place of the valuation report or accountant's opinion.

- 3.5.1 When a limited price, a specific price or a special price must be used as the reference for the transaction price due to special reasons, the transaction should first be approved by the board of directors, and the same applies if the transaction conditions are changed later.
- 3.5.2 If the transaction amount is more than NT\$1 billion, two or more professional appraisers should be invited for appraisal.
- 3.5.3 If the appraisal result of a professional appraiser falls under any of the following circumstances, except that the appraisal result of the acquired asset is higher than the transaction amount, or the appraisal result of the disposed asset is all lower than the transaction amount, the accountant

should be consulted for the reason for the difference and the reasonableness of the transaction price.

Sex expresses a specific opinion:

3.5.3.1 The difference between the valuation result and the transaction amount is more than 20% of the transaction amount.

3.5.3.2 The difference between the appraisal results of two or more professional appraisers is more than 10% of the transaction amount.

3.5.4 The date of the report issued by the professional appraiser and the date of establishment of the contract shall not exceed three months. However, if the current value of the same period of the announcement is applicable and less than six months have passed, the original professional appraiser may issue a written opinion.

3.5.5 In addition to using a limited price or a specific price as the reference basis for the transaction price, if there are legitimate reasons for failing to obtain a valuation report immediately, the valuation report shall be obtained within two weeks from the date of the fact, and two weeks from the date of obtaining the valuation report. Obtain the accountant's opinion in 3.5.3 within a week.

3.6 Investment scope and quota:

In addition to acquiring assets for business use, the Company and its subsidiaries may also invest in real estate or right-of-use assets and securities that are not for business use. The limits are as follows. When calculating 3.6.4 and 3.6.5, those who participate in the establishment of investments or serve as directors or supervisors and intend to hold them for a long time may not be included in the calculation.

3.6.1 The total amount of non-operating real estate or its right-of-use assets shall not exceed 50% of the net value of the company's most recent financial statements; subsidiaries shall not exceed 30% of its most recent financial statement net value.

3.6.2 The total amount of marketable securities shall not exceed three times the net value of the company's most recent financial statement; the subsidiary shall not exceed two times the net value of its most recent financial statement.

3.6.3 The investment limit of individual securities shall not exceed twice the net value of the company's latest financial statement; the subsidiary company shall not exceed one time of its latest financial statement net value.

3.6.4 The net investment of the company and its subsidiaries in a single listed or OTC company shall not exceed 10% of the net worth of the company's most recent financial statement.

3.6.5 The total investment shareholding of the company and its subsidiaries in a single listed or OTC company shall not exceed 10% of the total issued shares of the single listed or OTC company.

3.7 Procedures for controlling the acquisition or disposal of assets by subsidiaries

Subsidiaries of the company should also formulate "procedures for the acquisition or disposal of assets" in accordance with these procedures. After being approved by the board of directors of the subsidiary and the shareholders' meeting, they should be sent to the company for reference, and the same applies for amendments.

3.8 Penalties:

When the managers and organizers of the company violate this operating procedure, they will be handled in accordance with the company's personnel rules depending on the seriousness of the circumstances.

Chapter II Transactions with Related Persons

3.9 Recognition basis: When the company and related parties acquire or dispose of assets, in addition to the relevant resolution procedures and the evaluation of the rationality of transaction conditions in accordance with the provisions of the previous section and this section, the transaction amount is more than 10% of the company's total assets. Appraisal report or accountant's opinion issued by a professional appraiser in accordance with the provisions of the preceding paragraph. The calculation of the transaction amount in the preceding paragraph shall be handled in accordance with the provisions of Article 3.1.6. In addition to paying attention to its legal form, the identification of related parties should also take into account the substantial relationship.

3.10 Resolution Procedure:

The company acquires or disposes of real estate or its right-of-use assets from a related party, or acquires or disposes of real estate or other assets other than its right-of-use assets from a related party, and the

transaction amount reaches 20% of the company's paid-in capital and 100% of its total assets. 10% or NT\$300 million or more, in addition to buying and selling domestic government bonds, bonds with repurchase and sell-back conditions, and subscription or buy-back of money market funds issued by domestic securities investment trust enterprises, the execution unit shall submit the following information, submitted to the Audit Committee for approval, and then submitted to the Board of Directors for approval, before signing the transaction contract and making payments:

- 3.10.1 The purpose, necessity and expected benefits of acquiring or disposing of assets.
- 3.10.2 Reasons for selecting the related person as the transaction object.
- 3.10.3 Obtaining the relevant information from the related party to evaluate the reasonableness of the predetermined transaction conditions in accordance with the provisions of Article 3.11 or the exclusions of Article 3.12.
- 3.10.4 The original acquisition date and price of the related party, the transaction object and its relationship with the company and related parties, etc.
- 3.10.5 A forecast table of cash receipts and payments for each month in the next year starting from the contract month, and evaluate the necessity of the transaction and the rationality of the use of funds.
- 3.10.6 The appraisal report issued by the professional appraiser obtained in accordance with the preceding article, or the accountant's opinion.
- 3.10.7 Restrictions on this transaction and other important agreements.

The calculation of the transaction amount in the preceding paragraph shall be carried out in accordance with the provisions of Article 3.4.1.6, and the term within one year shall be based on the date of the actual occurrence of the transaction, retroactively calculated one year ahead, and has been submitted to shareholders meeting、the board of directors for approval in accordance with the provisions of this standard. no longer counted.

The following transactions are conducted between the company and its parent company, subsidiaries, or its subsidiaries that directly or indirectly hold 100% of the issued shares or total capital. Re-report to the most recent board of directors for ratification:

If the company or a subsidiary of a non-domestic public company has a transaction in 3.9, and the transaction amount exceeds 10% of the company's total assets, the company shall submit the documents listed in 3.10 to the shareholders' meeting for approval before signing a transaction contract. and payment. However, transactions between the Company and the parent company, subsidiaries, or subsidiaries are not subject to this limitation.

- 3.10.7.1 Acquiring or disposing of equipment for business use or its right-to-use assets.
- 3.10.7.2 Acquiring or disposing of real estate use rights assets for business use.

When the company acquires or disposes of assets from related parties and submits it to the board of directors for discussion, it shall fully consider the opinions of independent directors. If independent directors have any dissenting opinions or reservations, they shall be stated in the minutes of the board of directors.

If the Company acquires or disposes of assets from related parties without the consent of more than one-half of all members of the Audit Committee, it may be done with the consent of more than two-thirds of the entire board of directors, and the resolutions of the Audit Committee shall be stated in the minutes of the board of directors.

- 3.11 Evaluation of the reasonableness of the transaction conditions:

The company obtains real estate or its right-of-use assets from a related party, unless the related party obtains the real estate or its right-of-use assets due to inheritance or gift; or the time when the related parties contract to acquire the real estate or its right-to-use assets has elapsed since the date of this transaction. More than five years; or signed a joint construction contract with a related party, or obtained real estate by entrusting a related party to build real estate from a local commissioned construction, leased land commissioned construction, etc.; or between the company and its parent company, subsidiaries, or directly or Except for the four cases, such as the acquisition of real estate use rights assets for business use among subsidiaries indirectly holding 100% of the issued shares or total capital, the reasonableness of the transaction costs should be assessed according to the following methods, and an accountant should be consulted for review and specific opinions. .

- 3.11.1 According to the transaction price of the related parties, the necessary capital interest and the cost that the buyer should bear according to law are added. The "interest cost of necessary funds" shall

- be calculated on the basis of the weighted average interest rate of the borrowings in the year when the company purchased the assets, but it shall not be higher than the maximum borrowing rate of the non-financial industry announced by the Ministry of Finance.
- 3.11.2 If the related party has set up a mortgage borrower with the subject matter to the financial institution, the financial institution will evaluate the total value of the loan to the subject matter, but the actual cumulative value of the financial institution's loan to the subject matter should reach the loan evaluation value. More than 70% of the total value and the loan period has been more than one year. However, this does not apply if the financial institution and one of the parties to the transaction are mutually related persons.
- 3.11.3 For the combined purchase or lease of land and houses of the same subject, the transaction costs may be assessed by one of the methods listed in the preceding paragraphs 3.11.1 and 3.11.2 for the land and houses respectively.
- 3.12 What should be done when the transaction cost is assumed to be lower than the transaction price: When the transaction cost of the evaluation result according to the preceding article is lower than the transaction price, except for the following circumstances, and the person who can provide objective evidence and obtain a professional real estate evaluation In addition to the specific reasonable opinion of the accountant, it shall be handled in accordance with the provisions of Paragraph 3.
- 3.12.1 The related party is a person who has acquired prime land or leased land for re-construction, and may provide evidence that meets one of the following conditions:
- 3.12.1.1 The evaluation method shall be based on the method stipulated in the preceding article, and the construction cost of the related party shall be added to the reasonable construction profit, and the total shall exceed the actual transaction price. The term "reasonable construction profit" shall be based on the average operating gross profit margin of the related party's construction department in the last three years or the most recent construction gross profit rate announced by the Ministry of Finance, whichever is lower.
- 3.12.1.2 Other non-related person transactions on other floors of the same subject property or in adjacent areas within one year, with similar areas, and the transaction conditions are equivalent after evaluation of the reasonable floor or area price difference that should be in the practice of real estate sales or leasing By.
- 3.12.2 The company provides evidence that the real estate purchased from a related party or an asset with the right to use real estate obtained by leasing, the transaction conditions and the transaction cases of other non-related parties in the adjacent area within one year are similar and the area is similar.
- In the case of transactions in adjacent areas mentioned in the preceding paragraph, the principle is that the same or adjacent street corners are not more than 500 meters away from the object of the transaction, or the current value of the announcement is similar. The principle is that the area is not less than 50% of the area of the subject matter of the transaction; the term within one year is based on the date of the actual acquisition of the real estate, which is calculated retrospectively one year ahead.
- If the company obtains real estate or its right-of-use assets from a related party, if the transaction cost is lower than the transaction price as assessed in accordance with the provisions of the preceding article, and there is no circumstance mentioned in Paragraph 1 of this article, it shall handle the following matters:
- 3.12.2.1 The difference between the transaction price of the real estate or its right-of-use assets and the appraisal cost shall be set aside as a special surplus reserve in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Law, and shall not be distributed or converted into allotment shares. The special surplus reserve set aside should be recognized as a depreciation loss for the assets purchased or leased at a high price, or disposed of or terminated, or as appropriate compensation or restoration, or there is other evidence to determine whether it is unreasonable, and with the approval of the Financial Supervisory Commission, Only use the special surplus reserve.
- 3.12.2.2 Independent directors shall be handled in accordance with Article 288 of the Company Law.
- 3.12.2.3 The handling of 3.12.2.1. and 3.12.2.2. shall be reported to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and prospectus.

Chapter III Control of Derivative Commodities Transactions

3.13 The principles and policies of the transaction:

3.13.1 Types of transactions: The types of derivatives that the company can engage in include forward contracts, options, exchange of interest rates and exchange rates, futures, and compound contracts that combine the above commodities. If you need to engage in other commodity transactions, you should first obtain the approval of the board of directors.

3.13.2 Operational or hedging strategies: The company's derivatives trading is divided into transactions for the purpose of hedging and non-risk hedging (that is, for the purpose of trading). The main purpose of its strategy should be to avoid foreign exchange risks in business operations, and the selection of trading commodities should be mainly to avoid risks such as income, expenditure, assets or liabilities generated by the company's business operations. If due to changes in the objective environment, choosing an appropriate time to enter the market to engage in "non-risk-off transactions" of derivative products, it is expected to increase non-operating income or reduce non-operating losses for the company. In addition, the counterparty of the transaction should also choose a financial institution that has business dealings with the company as much as possible to avoid credit risk. Before the transaction, it must be clearly defined as the type of transaction such as hedging or financial operations in pursuit of investment income, as the basis for accounting.

3.13.3 Transaction quota:

3.13.3.1 Hedging transactions: the net foreign exchange position after combining assets and liabilities (including the net position expected to be generated in the future) is the upper limit for hedging.

3.13.3.2 Non-risk hedging transactions: no more than USD 1.5 million. Before execution, traders should submit a foreign exchange trend analysis report, which must contain the foreign exchange market trend analysis and suggested operation methods, which can only be done after approval.

3.13.4 Total and individual contract loss cap amounts

3.13.4.1 Risk-averse transactions: A risk-averse transaction is conducted for the actual needs of the company. After the position is established, a stop-loss point should be established to prevent excess losses. The stop-loss point should not exceed 10% of the transaction contract amount. As the upper limit, the total accumulated loss for the year shall not exceed the limit of USD 300,000.

3.13.4.2 Non-risk hedging transactions: After the position is established, a stop loss point should be set up to prevent excessive losses. The stop loss point setting should not exceed 10% of the transaction contract amount as the upper limit, and the total accumulated loss throughout the year should not exceed USD 300,000. Yuan is limited.

3.13.5 Division of powers and responsibilities:

3.13.5.1 Trading personnel: the executive personnel of the company's derivatives trading, whose candidates are designated by the chairman of the board. Responsible for the formulation of trading strategies within the authorized scope, execution of trading orders, disclosure of future trading risks, and providing real-time information to relevant departments for reference.

3.13.5.2 Accounting Section: Responsible for the confirmation of transactions, record and keep transaction records in accordance with relevant regulations, regularly conduct fair market value assessments for the positions held, and provide them to the designated transaction personnel, and disclose derivatives in financial statements product related matters.

3.13.5.3 Finance Division: Responsible for the delivery of derivatives transactions.

3.13.6 Performance evaluation essentials:

3.13.6.1 Risk-averse transactions: The performance evaluation is based on the cost of foreign exchange (interest rate) on the company's book and the profit and loss generated from engaging in derivative financial transactions, at least twice a month, and the performance is presented to the management for reference.

3.13.6.2 Transactions for designated purposes: take the actual profit and loss as the performance evaluation basis, evaluate at least once a week, and report the performance to the management for reference.

3.14 Risk management measures: The company engages in derivative commodity transactions. The scope of risk management and the risk management measures to be adopted are as follows:

- 3.14.1 Consideration of credit risk: The selection of transaction objects is based on the principle of financial institutions and futures brokers with good reputation in dealing with the company and providing professional information.
- 3.14.2 Consideration of market risk: The possible losses arising from future market price fluctuations of derivatives are uncertain, so the stop loss setting should be strictly adhered to after the position is established.
- 3.14.3 Consideration of liquidity risk: In order to ensure the liquidity of trading commodities, trading institutions must have sufficient equipment, information and trading capabilities and be able to conduct transactions in any market.
- 3.14.4 Consideration of operational risks: Authorization quotas and operational procedures must be strictly followed to avoid operational risks.
- 3.14.5 Consideration of legal risks: For any contract documents signed with financial institutions, use international standard documents as much as possible to avoid legal risks.
- 3.14.6 Consideration of Commodity Risk: Internal traders should have complete and correct professional knowledge about the derivative commodities traded, so as to avoid losses caused by the misuse of derivative commodities.
- 3.14.7 Consideration of cash delivery risk: Authorized traders should strictly abide by the regulations within the authorized limit, and should pay attention to the company's cash flow in peacetime to ensure that there is sufficient cash payment at the time of delivery.
- 3.14.8 Trading personnel and confirmation, delivery and other operations personnel shall not concurrently serve as each other.
- 3.14.9 Confirmation personnel shall regularly reconcile or confirm with the correspondent bank, and check at any time whether the total transaction amount exceeds the upper limit stipulated in this processing procedure.
- 3.14.10 The risk measurement, supervision and control personnel shall be in different departments from the personnel in 3.13.7.1. and shall report to the board of directors or to a senior executive who is not responsible for transaction or position decision-making.
- 3.14.11 The positions held shall be evaluated at least once a week, but if the business requires hedging transactions, it shall be evaluated at least twice a month, and the evaluation report shall be sent to the senior executive authorized by the board of directors.
- 3.15 Internal audit system:
 - 3.15.1 The company's internal auditors should regularly understand the adequacy of the internal control of derivatives transactions, and audit the trading department's operating procedures for derivatives transactions on a monthly basis, and make audit reports. , should immediately report to the chairman of the board and the senior executive designated by the board of directors, and notify the audit committee in writing.
 - 3.15.2 The company's auditors shall include derivatives transactions in the audit plan, and report the implementation of the previous year's annual audit plan to the Securities and Futures Bureau before the end of February of the following year, and no later than the end of May of the following year. Report the improvement of abnormal matters to the Bureau of Securities and Futures for future reference.
- 3.16 Periodic evaluation methods and exception handling:
 - 3.16.1 Regularly evaluate the transactions of derivatives on a monthly or weekly basis, and summarize the profit and loss of the month or week and the open positions of non-risk-off transactions, and submit them to the senior executives and the chairman authorized by the board of directors for management performance evaluation and risk measurement the reference.
 - 3.16.2 The senior executives designated by the board of directors of the company shall pay attention to the supervision and control of the risks of derivative commodity trading at all times. The board of directors should also evaluate whether the performance of derivatives trading is in line with the established business strategy and whether the risks undertaken are within the acceptable range of the company.
 - 3.16.3 Senior executives authorized by the board of directors shall manage derivatives trading in accordance with the following principles:

- 3.16.3.1 Regularly evaluate whether the risk management measures currently in use are appropriate and are actually handled in accordance with the "Acquisition or Disposal Assets Handling Standards" set by the Securities and Futures Bureau and the relevant provisions of this handling procedure.
- 3.16.3.2 Supervise the transaction and profit and loss situation, and take necessary countermeasures when any abnormality is found, and report to the board of directors immediately. The board of directors shall have independent directors present and express their opinions.
- The company engaged in derivative commodity transactions shall establish a reference book, detailing the types and amounts of derivative commodity transactions, the date of approval by the board of directors, the monthly or weekly periodic evaluation report, and the periodic evaluation matters of the board of directors and senior executives authorized by the board of directors.

Chapter IV Merger, Division, Acquisition or Share Transfer

- 3.17 The company shall, before convening the resolution of the board of directors, appoint an accountant, lawyer or securities underwriter to express the reasonableness of the share conversion ratio, purchase price or allotment of cash or other property to shareholders in the merger, division, acquisition or transfer of shares. opinions and submit it to the board of directors for discussion and approval. However, when the company merges its subsidiaries that directly or indirectly hold 100% of the issued shares or the total capital, or the merger between its subsidiaries that directly or indirectly holds 100% of the issued shares or the total capital, it is not necessary to obtain the reasonable opinion issued by the experts in the previous report. .
- 3.18 When the company handles mergers, divisions or acquisitions, it shall prepare a public document to shareholders before the shareholders' meeting to prepare important agreements and related matters, and deliver it to shareholders together with the expert opinion in the preceding article and the notice of the shareholders' meeting. A reference to whether or not to agree to the merger, division or acquisition. However, this does not apply if the shareholders meeting is exempted from convening a shareholders' meeting to resolve mergers, divisions or acquisitions in accordance with other laws. In the case of a company involved in a merger, division or acquisition, if the shareholders meeting of either party cannot be convened or resolved, or the resolution is rejected by the shareholders meeting, the company shall immediately publicly explain the reasons for the occurrence, the follow-up work and the expected date of the shareholders meeting.
- 3.19 Unless otherwise stipulated by other laws or approved by the Securities and Futures Bureau in advance, when the company participates in a merger, division or acquisition, it shall convene the board of directors and shareholders meeting on the same day as other participating companies to resolve merger, division or acquisition-related matters; When participating shares are transferred, the board of directors shall be held on the same day as other participating companies.
- 3.20 Share conversion ratio and purchase price: The share conversion ratio or purchase price of merger, division, acquisition or share transfer shall not be arbitrarily changed except for the following circumstances.
- 3.20.1 Handling cash capital increase, issuance of convertible corporate bonds, free allotment of shares, issuance of corporate bonds with warrants, preferred shares with warrants, warrant certificates and other equity securities.
- 3.20.2 Dispose of the company's major assets and other acts that affect the company's financial business.
- 3.20.3 The occurrence of major disasters, major technological changes, etc. that affect the company's shareholders' equity or securities prices.
- 3.20.4 The adjustment of the repurchase of treasury shares by any party of the company participating in the merger, division, acquisition or share transfer according to law.
- 3.20.5 Changes in the number of entities or companies involved in merger, division, acquisition or share transfer.
- 3.20.6 Other conditions that can be changed have been stipulated in the contract and have been disclosed to the public.
- 3.21 Items to be recorded in the content of the contract: When the company participates in a merger, division, acquisition or share transfer, the contract shall specify the rights and obligations of the participating company, the proportion of shares to be changed or the purchase price mentioned in the preceding article, and the details of the contract. the following matters.
- 3.21.1 Treatment of breach of contract.

- 3.21.2 The principles for dealing with securities with equity nature or treasury shares that have been repurchased before the company that has been eliminated or divided.
 - 3.21.3 The number of treasury shares that a participating company may buy back in accordance with the law after the base date for calculating the share conversion ratio and the principles for its treatment.
 - 3.21.4 How to deal with the increase or decrease in the number of participating entities or households.
 - 3.21.5 Estimated plan execution progress and expected completion schedule.
 - 3.21.6 If the plan is overdue and not completed, the relevant handling procedures such as the scheduled date of the shareholders' meeting should be convened according to the law.
 - 3.22 Other matters that should be noted when the company participates in merger, division, acquisition or share transfer:
 - 3.22.1 Require those involved in or aware of mergers, divisions, acquisitions or share transfers to issue a written confidentiality commitment, and not to disclose the contents of the plan before the information is made public, and not to buy or sell all related companies on their own or in the name of others stocks and other securities of equity nature.
 - 3.22.2 After the information on merger, division, acquisition or share transfer is made public, if it intends to merge, divide, acquire or transfer shares with other companies, unless the number of participating companies is reduced, and the shareholders meeting has resolved and authorized the board of directors to change When the authority is exercised, the procedures or legal acts that have been completed in the original proposal should be re-acted, except for the possibility of holding a shareholders' meeting to re-enact resolutions.
 - 3.22.3 If the company involved in merger, division, acquisition or share transfer is not a public issuer, the company shall sign an agreement with it, and handle it in accordance with the provisions of 3.20, 3.22.1 and 3.22.2 of this procedure.
 - 3.23 Companies involved in mergers, divisions, acquisitions or share transfer listings or companies whose stocks are traded at the business premises of securities firms shall make complete written records of the following information and keep them for five years for inspection.
 - 3.23.1 Basic information of personnel: including all persons involved in the merger, division, acquisition or share transfer plan or execution of the plan before the news is released, their titles, names, and ID numbers (passport numbers in the case of foreigners).
 - 3.23.2 Date of important matters: including the date of signing the letter of intent or memorandum, entrusting financial or legal counsel, signing the contract and the board of directors.
 - 3.23.3 Important documents and minutes: including merger, division, acquisition or share transfer plan, letter of intent or memorandum, important contracts and minutes of board meetings.
 - 3.23.4 Companies involved in merger, division, acquisition or share transfer listing or stock trading at the business premises of a securities firm shall, within two days from the date when the resolution of the board of directors is passed, submit the information in subparagraphs 1 and 2 of the preceding paragraph according to the regulations. The format is reported to the Bureau of Certification and Futures through the Internet Information System for future reference.
- If a company involved in a merger, division, acquisition or share transfer is not a listed company or whose stock is traded at the business office of a securities firm, the company whose stock is listed or traded at the business office of a securities firm shall sign an agreement with it and comply with 3.23.3 and 3.23.4 regulations.

Chapter V Other Important Matters

- 3.24 When the company acquires or disposes of assets, it shall keep the relevant contracts, minutes, reference books, valuation reports, and opinions from accountants, lawyers or securities underwriters in the company. Unless otherwise stipulated by other laws, keep them for at least five years.
- 3.25 Valuation reports or advice from accountants, lawyers or securities underwriters obtained by the Company amended provision. The professional appraiser and its appraisers, accountants, lawyers or securities underwriters shall meet the following requirements:
 - 3.25.1 Have never been sentenced to imprisonment for more than one year for violating this Law, the Company Law, the Banking Law, the Insurance Law, the Financial Holding Company Law, the Commercial Accounting Law, or for fraud, breach of trust, embezzlement, forgery of documents, or

- business crimes. Declared OK. However, this is not the case if three years have elapsed since the completion of the execution, the expiration of the suspended sentence, or the pardon.
- 3.25.2 The parties to the transaction shall not be related parties or have substantial related parties.
- 3.25.3 If the company should obtain valuation reports from two or more professional appraisers, the different professional appraisers or appraisers shall not be related persons or have substantial relationships with each other.
- 3.25.4 When issuing the appraisal report or opinion letter, the personnel in the preceding paragraph shall comply with the self-discipline regulations of their respective trade associations and the following matters:
- 3.25.4.1 Before accepting a case, they should carefully evaluate their professional ability, practical experience and independence.
- 3.25.4.2 When executing a case, it should properly plan and implement the appropriate operation process to form a conclusion and issue a report or opinion letter accordingly; and publish the detailed procedures, collected data and conclusions in the case working paper.
- 3.25.4.3 The appropriateness and rationality of the data sources, parameters and information used shall be evaluated item by item as the basis for issuing the valuation report or opinion letter.
- 3.25.4.4 Statements should include the professionalism and independence of the relevant personnel, the information that has been assessed to be appropriate and reasonable, and the compliance with relevant laws and regulations.
- 3.26 The acquisition or disposal of assets by the company shall first be approved by more than half of all members of the audit committee and then approved by the board of directors in accordance with these operating procedures or other laws. It shall be implemented with the consent of more than two-thirds of all directors, and the resolutions of the audit committee shall be recorded in the minutes of the board of directors.
- 3.27 This procedure should be approved by more than half of all members of the audit committee, and then submitted to the shareholders' meeting for approval after being approved by the board of directors. The same is true for corrections.
4. Control focus:
- 4.1 Increase whether the acquisition or disposal of assets is handled in accordance with the prescribed operating procedures.
- 4.2 Whether the declaration operation is completed according to this operation procedure.
- 4.3 Whether to urge the subsidiary to formulate relevant measures in accordance with this operating procedure, and implement them in accordance with the measures.
5. Legal basis:
- 5.1 Article 36-1 of the Securities Exchange Act.
- 5.2 This procedure is formulated in accordance with the relevant provisions of the "Standards for the Treatment of Assets Acquired or Disposed by Public Companies".
6. Using Forms: None

Franbo Lines Corp.

Document number	Rules and Procedures of the Shareholders' Meetings	Date of establishment
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Article 1

Basis for setting

In order to establish a good governance system for the shareholders' meeting, improve the supervisory function and strengthen the management function of the company, these rules are formulated in accordance with the provisions of Article 5 of the Code of Practice for Governance of Listed OTC Companies for compliance.

Article 2

Unless otherwise stipulated by laws or regulations, the rules of procedure of the shareholders' meeting of the company shall be governed by these rules.

Article 3

Shareholders' meeting convening and meeting notice

- (1) Unless otherwise stipulated by laws and regulations, the shareholders' meeting of the company shall be convened by the board of directors.
- (2) The company shall notify all shareholders 30 days before the ordinary shareholders' meeting or 15 days before the extraordinary shareholders' meeting.
- (3) The notice of the shareholders' meeting, the proxy paper, the reasons and explanatory materials for various proposals such as recognition proposals, discussion proposals, election or dismissal of directors, and supervisory matters are made into electronic files and sent to the public information observatory. Twenty-one days before the ordinary shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, the shareholders' meeting procedure manual and supplementary materials of the meeting shall be prepared as electronic files and sent to the public information observatory. Fifteen days before the shareholders' meeting, prepare the current shareholders' meeting procedure manual and meeting supplementary materials for shareholders to request at any time. The notice and announcement shall specify the reason for the convening; if the notice is approved by the counterparty, it may be done electronically. For shareholders holding less than 1,000 registered shares, they may do so by public announcement.
- (4) Election and dismissal of directors, supervisors, changes to articles of association, capital reduction, application for suspension of public offerings, directors' non-compete licenses, capital increase from surplus, capital increase from public reserves, company dissolution, merger, division or Company Law 185 Matters referred to in Paragraph 1 of Article 1, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60- 2. For matters, the main contents shall be listed and explained in the reason for the convening, and shall not be proposed as an interim motion.
- (5) The reasons for convening the shareholders' meeting have stated the general re-election of directors and supervisors, and the date of their inauguration. After the re-election of the shareholders' meeting is completed, the same meeting shall not change the date of their inauguration by temporary motions or other means.
- (6) Shareholders holding more than 1% of the total number of issued shares may submit a proposal to the company at the general meeting of shareholders, limited to one proposal, and those with more than one proposal will not be included in the proposal. However, the shareholders' proposal is a proposal to urge the company to promote public interests or fulfill its social responsibilities, and the board of directors may still include it in the proposal. In addition, the proposal proposed by the shareholders falls under any of the circumstances of Subparagraph 4 of Article 172-1 of the Company Law, and the board of directors may not list it as a proposal.

- (7) The company shall announce the acceptance of shareholders' proposals, the method of acceptance in writing or electronically, the place of acceptance, and the acceptance period before the date of the suspension of stock transfer before the general meeting of shareholders; the acceptance period shall not be less than ten days.
- (8) Proposals proposed by shareholders shall be limited to 300 words, and those exceeding 300 words shall not be included in the proposal; the proposing shareholders shall attend the general meeting of shareholders in person or by proxy, and participate in the discussion of the proposal.
- (9) The company shall notify the proposing shareholders of the handling results before the notice of convening the shareholders' meeting, and list the resolutions conforming to the provisions of this article in the meeting notice. For shareholder proposals that are not included in the resolutions, the board of directors shall explain the reasons for not including them at the shareholders' meeting.

Article 4

Proxy to attend shareholders meeting and authorize

- (1) Shareholders may, at each shareholders' meeting, issue a power of attorney issued by the company, specifying the scope of authorization, and entrust an agent to attend the shareholders' meeting.
- (2) One shareholder shall issue one power of attorney, and only one person shall be entrusted, which shall be delivered to the company five days before the shareholders' meeting. However, it is not limited to those who declare to revoke the previous entrustment.
- (3) After the power of attorney is delivered to the company, shareholders who wish to attend the shareholders' meeting in person or exercise their voting rights in writing or electronically shall notify the company in writing of the revocation of the proxy two days before the shareholders' meeting; , subject to the voting rights of proxies attending and exercising.

Article 5

Principles for the venue and time of convening shareholders' meetings

The venue for the shareholders' meeting shall be the place where the company is located or at a place that is convenient for shareholders to attend and suitable for the shareholders' meeting to be held.

The meeting shall not start earlier than 9:00 a.m. or later than 3:00 p.m., and the venue and

The time should fully consider the opinions of independent directors.

Article 6

Preparation of signature books and other documents

- (1) The company shall state in the meeting notice the time and place of the acceptance of the shareholders' registration, and other matters that should be paid attention to.
- (2) The time for accepting the shareholders' registration in the preceding paragraph shall be done at least 30 minutes before the start of the meeting; the registration office shall be clearly marked, and appropriate and competent personnel shall be assigned to handle it.
- (3) The company shall set up a signature book for the attendance of the shareholders themselves or their proxies (hereinafter referred to as shareholders) to sign in, or the attendance of the shareholders to hand in a sign-in card to sign in on their behalf.
- (4) The company shall deliver the procedure manual, annual report, attendance certificate, speech slips, voting ballots and other meeting materials to shareholders attending the shareholders meeting; if there is an election of directors and supervisors, an election ballot shall be attached.
- (5) Shareholders themselves or their proxies (hereinafter referred to as shareholders) should present their attendance cards, attendance cards or other attendance certificates to attend the shareholders' meeting. Proof documents; the applicant who is soliciting the power of attorney should bring along the identification documents for verification.
- (6) When the government or legal person is a shareholder, the number of representatives attending the shareholders' meeting is not limited to one. When a legal person is entrusted to attend the shareholders' meeting, only one representative may be appointed to attend the meeting.

Article 7

Chairman of the shareholders' meeting, non-voting attendees

- (1) If the shareholders' meeting is convened by the board of directors, the chairman of the board of directors shall be the chairman of the board of directors. If the chairman of the board of directors requests leave or is unable to exercise his power for any reason, the deputy chairman of the board of directors shall act as his proxy. In the event of inability to exercise powers, the chairman of the board

shall designate a managing director to act as his agent; if there is no managing director, a director shall be appointed to act as his agent, and if the chairman does not designate an agent, the managing director or one of the directors shall be appointed as his agent.

- (2) The chairman of the preceding paragraph is an executive director or a director who has served as the executive director or director who has served for more than six months and who has an understanding of the company's financial and business conditions. The same applies if the chairman is the representative of the corporate directors.
- (3) The chairman of the board of directors shall preside over the shareholders' meeting convened by the board of directors in person, and more than half of the directors of the board of directors, at least one supervisor, and at least one representative of various functional committee members shall attend in person, and the attendance shall be recorded in the Minutes of the shareholders meeting.
- (4) If the shareholders meeting is convened by a person with the right to convene other than the board of directors, the chairman shall be the person with the right to convene.
- (5) The company may designate appointed lawyers, accountants or related personnel to attend the shareholders' meeting.

Article 8

Evidence of audio recording or video recording of the shareholders' meeting

- (1) The company shall record and record the whole process of shareholder registration, the meeting process, and the voting counting process continuously and uninterruptedly from the time of acceptance of shareholder registration.
- (2) The audio-visual materials in the preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded.

Article 9

Calculation of the number of shares attended and the meeting of shareholders

- (1) Attendance at the shareholders' meeting shall be calculated on the basis of shares. The number of shares present shall be calculated based on the signature book or the paid-in attendance card, plus the number of shares for which voting rights are exercised in writing or electronically.
- (2) After the meeting time has expired, the chairman shall announce the meeting immediately, and at the same time announce the number of non-voting rights and the number of shares attended and other relevant information. However, when shareholders representing more than half of the total number of issued shares are not present, the chairman may announce that the meeting will be postponed. The number of postponements shall be limited to two times, and the total postponement time shall not exceed one hour. If there are not enough shareholders representing more than one third of the total number of issued shares to attend after the second delay, the chairman will announce the adjournment of the meeting.
- (3) If the number of shareholders who represent more than one-third of the total number of issued shares is present after the second delay in the preceding paragraph, the resolution may be deemed false in accordance with the provisions of Paragraph 1 of Article 175 of the Company Law, and the false resolution shall be made. Shareholders were notified of the resolution to convene another shareholders' meeting within one month.
- (4) Before the end of the current meeting, if the number of shares represented by the shareholders present reaches more than half of the total number of issued shares, the chairman may re-submit the false resolution made to the shareholders' meeting in accordance with Article 174 of the Company Law vote.

Article 10

motion discussion

- (1) If the shareholders' meeting is convened by the board of directors, its agenda shall be determined by the board of directors, and relevant proposals (including interim motions and amendments to original proposals) shall be voted on a case-by-case basis. It cannot be changed.
- (2) If the shareholders meeting is convened by a person other than the board of directors who has the right to convene, the provisions of the preceding paragraph shall apply mutatis mutandis.
- (3) Before the meeting (including provisional motions) as scheduled in the preceding two paragraphs is concluded, the chairman shall not declare the meeting adjourned without a resolution; if the chairman violates the rules of procedure and announces the adjournment of the meeting, other members of the

board of directors shall promptly assist the attending shareholders in accordance with the regulations. According to the procedure, one person shall be elected as the chairman with the consent of more than half of the voting rights of the shareholders present, and the meeting shall continue. (4) The chairman shall give sufficient explanation and discussion opportunities to the proposal and the amendments or interim motions proposed by shareholders. When he deems that the voting has reached a sufficient level, he may announce the suspension of discussion, put forward a vote, and arrange for a suitable voting time.

Article 11

Shareholders' speech

- (1) Before attending a shareholder's speech, a speech slip must be filled in, stating the gist of the speech, the shareholder's account number (or attendance certificate number) and account name, and the chairman will determine the order of their speeches.
- (2) Those attending shareholders who only put forward a statement without speaking shall be deemed to have not spoken. Speech content and statement record
In case of discrepancies, the content of the speech shall prevail.
- (3) Each shareholder's speech on the same proposal shall not exceed two times without the consent of the chairman, and each time shall not exceed five minutes. However, if a shareholder's speech violates the regulations or exceeds the scope of the agenda, the chairman may stop him from speaking.
- (4) When attending a shareholder's speech, other shareholders shall not interfere with their speech unless they have obtained the consent of the chairman and the speaking shareholder, and the chairman shall stop the violation.
- (5) When a legal person shareholder appoints two or more representatives to attend the shareholders' meeting, only one person may speak on the same proposal.
- (6) After attending shareholders' speeches, the chairman may reply in person or designate relevant personnel.

Article 12

Calculation and avoidance system of voting shares

- (1) Voting at the shareholders' meeting shall be calculated on the basis of shares.
- (2) The number of shares of shareholders without voting rights shall not be included in the total number of issued shares in the resolution of the shareholders' meeting. Shareholders who have their own interests in the matters of the meeting and may be harmful to the interests of the company shall not participate in voting, and shall not exercise their voting rights on behalf of other shareholders.
The number of shares for which voting rights are not exercised in the preceding paragraph shall not be included in the number of voting rights of shareholders present.
- (3) Except for a trust enterprise or a stock agency agency approved by the securities regulatory authority, when one person is entrusted by two or more shareholders at the same time, the voting rights of the proxy shall not exceed 3% of the total voting rights of the issued shares. The voting rights shall not be counted.

Article 13

Voting, scrutineering and counting of votes

- (1) Shareholders have one voting right per share, except those with restricted or no voting rights.
- (2) When the company convenes a shareholders' meeting, it shall use electronic means and may exercise its voting rights in writing; when it exercises its voting rights in writing or electronically, its exercise method shall be specified in the notice of convening the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the provisional motions and amendments to the original motions at the shareholders' meeting shall be deemed as abstentions.
- (3) If the voting rights are exercised in writing or electronically in the preceding paragraph, the statement of intent shall be delivered to the company two days before the shareholders' meeting. However, the declaration of intention before the revocation of the declaration is not limited to this.
- (4) After shareholders exercise their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person, they shall
Two days before the shareholders' meeting, the declaration of intention to exercise the voting rights in the preceding paragraph shall be revoked in the same manner as the exercise of the voting rights; if the

revocation is overdue, the voting rights exercised in writing or electronically shall prevail. If voting rights are exercised in writing or electronically and a proxy is entrusted to attend the shareholders' meeting by proxy, the voting rights that are entrusted to attend and exercise shall prevail.

- (5) Voting on resolutions shall be approved by the approval of more than half of the voting rights of shareholders present, unless otherwise stipulated in the Company Law and the Articles of Association of the Company.
- (6) When there are amendments or alternatives to the same motion, the chairman shall determine the order of voting on the same motion as the original motion. If one of the motions has been passed, the other motions are deemed to be rejected and no further voting is required.
- (7) The scrutineer and vote-counter for voting on the resolution shall be designated by the chairman, but the scrutineer shall have the identity of a shareholder. The counting of votes for votes or election proposals at the shareholders' meeting shall be done in a public place at the shareholders' meeting, and after the counting of votes is completed, the voting results shall be announced on the spot, including the weight of the statistics, and a record shall be made.

Article 14

election matters

- (1) When the shareholders' meeting elects directors and supervisors, it shall be handled in accordance with the relevant selection and appointment regulations stipulated by the company's "Procedures for the Selection and Appointment of Directors and Supervisors", and the election results shall be announced on the spot, including the list of elected directors and supervisors and their right to be elected. and the list of unsuccessful directors and supervisors and the number of voting rights they have obtained.
- (2) The ballots for the election matters in the preceding paragraph shall be sealed and signed by the scrutineers, and shall be properly kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded.

Article 15

Meeting minutes and signatures

- (1) The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairman, and the minutes shall be distributed to all shareholders within 20 days after the meeting.
- (2) After the public offering of the company's shares, the production and distribution of minutes may be done electronically. The distribution of the minutes mentioned in the preceding paragraph may be done in the form of an announcement entered into the public information observatory.
- (3) The minutes of the meeting shall be recorded in accordance with the year, month, day, venue, name of the chairman, method of resolution, essentials of the proceedings and voting results (including statistical weights). When directors and supervisors are elected, they shall be disclosed. The number of votes for each candidate. During the existence of the company, it should be kept permanently.

Article 16

External announcement

- (1) The number of shares acquired by the solicitor and the number of shares represented by the proxy shall be clearly disclosed in the shareholders meeting in a statistical table prepared by the company in accordance with the prescribed format on the day of the shareholders meeting.
- (2) The resolutions of the shareholders' meeting, if there is any material information stipulated by laws and regulations, Taiwan Stock Exchange Co., Ltd. (Republic of China Securities OTC Trading Center), the company shall transmit the content to the public within the specified time. Information Observatory.

Article 17

Maintenance of meeting order

- (1) The executives handling the shareholders' meeting shall wear identification cards or armbands.
- (2) The chairman may direct pickets or security personnel to assist in maintaining order at the venue. When the pickets or security personnel are present to assist in maintaining order, they should wear an armband or identification card with the word "picket".
- (3) If the venue is equipped with amplifying equipment, the chairman may stop the shareholders from speaking with the equipment provided by the company.

- (4) If a shareholder violates the rules of procedure and does not obey the chairman's corrections, and hinders the progress of the meeting and fails to comply, the chairman may direct the pickets or security personnel to ask them to leave the venue.

Article 18

rest, sequel

- (1) When the meeting is in progress, the chairman may announce a break at his discretion. In the event of force majeure, the chairman may decide to suspend the meeting temporarily, and announce the time for the continuation of the meeting as the case may be.
- (2) The agenda of the shareholders' meeting is before the conclusion of the discussion (including interim motions), and the venue for the meeting cannot continue to be used at that time, and the shareholders' meeting may decide to find another venue to continue the meeting.
- (3) The shareholders meeting may, in accordance with the provisions of Article 182 of the Company Law, decide to postpone or renew the meeting within five days.

Article 19

These Rules shall come into force after being approved by the shareholders' meeting, and the same shall apply to amendments.

**Franbo Lines Corp.
Articles of Incorporation**

Chapter 1 General Provisions

Article 1: The company is organized in accordance with the provisions of the Company Law and named as Zhengde Shipping Co., Ltd.

Article 2: The business of the company is as follows:

1. G401011 Shipping Agency.
2. I199990 Other consultancy services.
3. In addition to the licensed business, ZZ99999 may operate businesses that are not prohibited or restricted by law.
4. G402011 Shipping contract shipping industry.

Article 3: The company shall set up its head office in Kaohsiung City, and may establish branch offices at home and abroad with the resolution of the board of directors when necessary.

Article 4: The company can guarantee external guarantees, and the relevant endorsement guarantee matters shall be implemented in accordance with the provisions of the "Endorsement Guarantee Operation Procedures". .

Article 4-1: The company's funds may be loaned to others in accordance with the provisions of the exclusion clause in Article 15 of the Company Act. The matters relating to the loan of funds shall be implemented in accordance with the provisions of the "Operational Procedures for Lending Funds to Others". All matters will be handled in accordance with relevant laws and regulations.

Article 5: The company may invest abroad, and its total investment may not exceed the limit of 40% of the paid-in share capital in Article 13 of the Company Law. The investment amount is authorized by the board of directors to decide.

Chapter II Shares

Article 6: The total capital of the company is **NT\$6,000,000,000** divided into **600,000,000** shares of NT\$10 per share, of which unissued shares are authorized to be issued by the board of directors.

Article 7: The company's shares are generally registered, signed or stamped by more than 3 directors, and issued after obtaining a legal visa. The shares issued by the company are exempt from printing stock certificates, but registration should be made with the securities centralized custodian institution.

Article 8: The change of name of shareholders shall not be done within 60 days before the ordinary shareholders' meeting, within 30 days before the extraordinary shareholders' meeting, or within 5 days before the base date of the company's decision to distribute dividends, bonuses or other benefits.

Chapter III Shareholders' Meeting

Article 9: The shareholders' meeting is divided into two types: regular meeting and extraordinary meeting. Regular meetings shall be convened at least once a year, and shall be convened by the board of directors within six months after the end of each fiscal year; extraordinary meetings shall be convened according to law when necessary.

Article 10: If a shareholder is unable to attend the shareholders' meeting for any reason, he may, in accordance with the provisions of Article 177 of the Company Act, issue a power of attorney issued by the company stating the scope of authorization to entrust an agent to attend. In addition to the provisions of Article 177 of the Company Act, the regulations for shareholders to attend the general meeting of shareholders after the public offering of the company's shares shall be handled in accordance with the "Regulations on the Use of Power of Attorney for Public Offering Companies to Attend General Meetings of Shareholders" promulgated by the competent authority.

Article 11: Unless otherwise stipulated by relevant laws and regulations, the shareholders of the company have one vote per share.

Article 12: Unless otherwise provided by the Company Law, resolutions of the shareholders' meeting shall be attended by shareholders representing more than half of the total number of issued shares, and shall be implemented with the consent of more than half of the voting rights of the shareholders present.

Article 12-1: After the public offering of the company's stock, if the company intends to cancel the public offering, it shall be handled in accordance with the Company Law and relevant laws and regulations, and this provision shall not be changed during the listing (listing or opening) period.

Chapter IV Directors and Audit Committee

Article 13: The company has 7 to 9 directors with a term of 3 years. The election of directors adopts the candidate nomination system stipulated in Article 192-1 of the Company Law. re-elected. The total number of shares held by all directors shall not be less than a certain percentage of the total issued shares of the company, and the percentage shall be determined by the competent authority.

Among the number of directors in the preceding paragraph, the number of independent directors shall not be less than two, and shall not be less than one-fifth of the number of directors. Independent directors adopt the candidate nomination system, and the shareholders' meeting shall select and appoint independent directors from the list of candidates for independent directors. The professional qualifications, shareholding, part-time restrictions, nomination and appointment methods, and other matters to be complied with for independent directors shall be governed by the relevant regulations of the securities regulatory authority.

Article 13-1: The company may authorize the board of directors to fully handle the indemnity responsibilities that the directors are legally obligated to undertake during the term of office for the execution of business scope, purchase liability insurance, and the amount of insurance and insurance related matters.

Article 13-2: The Company shall set up an audit committee in accordance with the relevant provisions of the Securities and Exchange Act, consisting of all independent directors, with no less than three members, one of whom shall be the convener, and formulate rules for the exercise of its powers.

The composition, functions and powers, rules of procedure and other matters to be complied with by the audit committee of the company shall be handled in accordance with the relevant regulations of the securities regulatory authority.

From the date of establishment of the Audit Committee, the functions and powers that should be exercised by supervisors in accordance with the Company Law, the Securities and Exchange Law and other laws and regulations shall be mutatis mutandis to the Audit Committee.

Article 14: The board of directors shall be organized by the directors. More than two-thirds of the directors shall be present, and more than half of the directors present shall agree to elect one person to be the chairman of the board of directors to represent the company externally. According to the regulations, one person may be elected in the same way as the chairman of the board of directors. Vice Chairman.

Article 15: When the chairman asks for leave or is unable to perform his functions and powers for some reason, his agency shall handle it in accordance with the provisions of Article 208 of the Company Law. When a director is unable to attend the board meeting for some reason, he may issue a power of attorney stating the scope of authorization of the reasons for the convening, and entrust the attending director to act as his proxy, but one person is limited to being entrusted by one person. .

The board of directors may conduct video conferences, and directors who participate in the conference by video conference are deemed to be present in person.

Article 15-1: The convening of the board of directors of the company shall be convened, and the reasons shall be specified, and the directors shall be notified seven days in advance. However, in the event of an emergency, they may be called at any time. The convening of the board of directors of the Company shall be notified to all directors in writing, by e-mail or by fax.

Article 16: The remuneration of directors shall be determined by the Board of Directors in accordance with the recommendation of the Compensation and Remuneration Committee.

Chapter 5 Managers

Article 17: The company may have several managers, whose appointment, dismissal and remuneration shall be

handled in accordance with the provisions of Article 29 of the Company Law.

Chapter VI Accounting

Article 18: At the end of each fiscal year, the board of directors shall prepare the following lists and submit them to the general meeting of shareholders for recognition in accordance with the law.

1. Business report.
2. Financial Statements.
3. Proposal for surplus distribution or loss appropriation.

Article 19: The company shall distribute no less than 1% of the remuneration to employees and no more than 5% of the remuneration of directors for the current year's profit. However, if the company still has accumulated losses, it should make up for it.

Employee remuneration may be in stock or cash, and the recipients of stock or cash may include employees of subordinate companies who meet certain conditions.

The profit status of the current year referred to in Paragraph 1 refers to the profit before tax deducting the distribution of employee remuneration and directors' remuneration in the current year. The distribution of remuneration to employees and directors shall be implemented by the board of directors with the attendance of more than two-thirds of the directors and a resolution approved by more than half of the directors present, and reported to the general meeting of shareholders.

Article 20: If the company has a surplus after the annual final accounts, in addition to paying the profit-making enterprise income tax according to law and making up for previous annual losses, if there is still a balance, 10% of the statutory surplus reserve should be set aside first, but the statutory surplus reserve has been When the total capital is reached, this limit is not applicable. After the special surplus reserve is set aside or reversed according to the law or the regulations of the competent authority, and the undistributed surplus at the beginning of the same period is the accumulated distributable surplus, the board of directors shall formulate a surplus distribution proposal and submit it to the shareholders' meeting for resolution. assign it.

In order to continuously expand the scale of operation, enhance the competitiveness, and meet the company's long-term business development, future capital needs and long-term financial planning. Shareholder dividends shall be appropriated from accumulated distributable earnings, which shall be no less than 15% of the current year's distributable earnings, and cash dividends shall be no less than 10% of shareholder dividends.

Chapter 7 Supplementary Provisions

Article 21: Matters not stipulated in this Articles of Association shall be handled in accordance with the provisions of the Company Law.

Article 22: The Articles of Association shall be implemented after being approved by the shareholders' meeting, and the same shall apply to amendments.

Article 23: This Articles of Association was concluded on September 22, 1998, the first amendment was on November 30, 1989, the second amendment was on April 24, 2007, and the third amendment was on April 24, 2007 On August 1, the 4th amendment was made on January 15, 2008. The fifth amendment was made on December 26, 2008. The 6th amendment was made on November 6, 2009. The 7th amendment was made on March 25, 2010. The 8th amendment was made on June 29, 2010. The 9th amendment was made on June 27, 2011. The 10th amendment was made on June 28, 2012. The 11th amendment was made on June 27, 2013. The 12th amendment was made on June 26, 2014. The 13th amendment was made on June 25, 2005. The 14th amendment was made on June 28, 2016. The 15th amendment was made on June 23, 2007. The 16th amendment was made on May 29, 2019. The 17th amendment was made on May 26, 2022. The 18th amendment was made on May 30, 2024.

Shareholdings of All Directors

I. According to the provisions of Article 26 of the Securities and Exchange Act, the quorum of directors and the number of shares are as follows:

The number of ordinary shares issued by the company is 318,271,229 shares.

The minimum number of shares held by all directors is 12,730,849 shares.

II. As of April 7, 2025, the closing date of the 2024 general meeting of shareholders, the number of shares held by all directors is as follows:

Title	Name	Current Shareholding	
		Shares	%
Chairman	Prosperity Investment and Consulting Co., Ltd. Representative: Pang Chuan, Tsai	48,038,398	15.09
Director	Prosperity Investment and Consulting Co., Ltd. Representative: Ching-Chuang, Tsai	48,038,398	15.09
	Chun Yu, Lo	7,064,590	2.22
	Yi-Wen, Shen	258,535	0.08
Independent Director	Shu-Yang, Yen	-	-
	Rong-Qin, Liu	-	-
	Tian-Ming, Wu	190,568	0.06
	Shih-Chuan, Lin	-	-

Note: As of April 7, 2025, the number of shares held by all directors was 55,361,523 shares (independent directors are not included in the number of shares held by all directors).