Franbo Lines Corp.

Meeting Minutes for the 2025 Annual Shareholders' Meeting

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

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

Convening method: Physical shareholders' meeting

Total number of outstanding shares: 318,271,229 shares

Total shares represented by presence of shareholders: 185,467,933 shares (58.27%)

Directors present: Tsai Pang Chuan
Tsai Ching Chuang Director
Lo, Chun-Yu
Shen, Yi-Wen
Yen, Shu-Yang (Independent Director)
Wu, Tien-Ming (Independent Director)
Liu, Jung-Chin (Independent Director)
Lin, Shih-Chuan (Independent Director)

In attentance： Wang, Chun-Kai (CPA)

Chairperson: Tsai Pang Chuan

Recorder: Kevin Cheng

Meeting Commencement Announced:

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

Chairman's Address: (Omitted)

1. **Report Items**

(1) Business Report of the year 2024. (**Attachment 1**)

(2) Audit Committee's Review Report of the year 2024. (**Attachment 4**)

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

(4) Report on directors' remuneration collection in 2024. (Omitted)

(5) 2024 Earnings Distribution of Cash Dividend. (Omitted)

(6) Report on the Endorsements and Guarantees & Loaning of Funds to Others Parties. (Omitted)

(7) Report on the Issuance of Domestic Corporate Bonds. (Omitted)

2. 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:

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting:174,978,351 votes.

Voting Results			% of the represented share present
Votes in favor	160,938,968 votes	(electronic votes 59,330,670 votes)	91.97%
Votes against	59,836 votes	(electronic votes 59,836 votes)	0.03%
Invalid Votes	- votes		0.00%
Votes abstained / Not Voted	13,979,547 votes	(electronic votes 13,979,497 votes)	7.98%

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	1,939,443,630
Distribution Items	
Shareholders' dibidends – Cash (NT$0.5 per share) (Note)	(156,271,248)
Undistributed earnings by the end of 2024	$ 1,783,172,382

(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:

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting:174,978,351 votes.

Voting Results			% of the represented share present
Votes in favor	160,966,984 votes	(electronic votes 59,358,686 votes)	91.99%
Votes against	69,843 votes	(electronic votes 69,843 votes)	0.03%
Invalid Votes	- votes		0.00%
Votes abstained / Not Voted	13,941,524 votes	(electronic votes 13,941,474 votes)	7.96%

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)**.

(2) Discussion requested.

Resolution:

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting:174,978,351 votes.

Voting Results			% of the represented share present
Votes in favor	160,966,475 votes	(electronic votes 59,358,177 votes)	91.99%
Votes against	68,797 votes	(electronic votes 68,797 votes)	0.03%
Invalid Votes	- votes		0.00%
Votes abstained / Not Voted	13,943,079 votes	(electronic votes 13,943,029 votes)	7.96%

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 **(Attachment 6)**.

(2) Discussion requested.

Resolution:

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting:174,978,351 votes.

Voting Results			% of the represented share present
Votes in favor	160,958,634 votes	(electronic votes 59,350,336 votes)	91.98%
Votes against	69,177 votes	(electronic votes 69,177 votes)	0.03%
Invalid Votes	- votes		0.00%
Votes abstained / Not Voted	13,950,540 votes	(electronic votes 13,950,490 votes)	7.97%

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 ". For a comparison table of the provisions before and after the revision, please refer to (**Attachment 7**).

(2) Discussion requested.

Resolution:

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting:174,978,351 votes.

Voting Results			% of the represented share present
Votes in favor	160,946,453 votes	(electronic votes 59,338,155 votes)	91.98%
Votes against	81,328 votes	(electronic votes 81,328 votes)	0.04%
Invalid Votes	- votes		0.00%
Votes abstained / Not Voted	13,950,570 votes	(electronic votes 13,950,520 votes)	7.97%

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". For a comparison table of the provisions before and after the revision, please refer to (**Attachment 8**).

(2) Discussion requested.

Resolution:

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting:174,978,351 votes.

Voting Results			% of the represented share present
Votes in favor	160,961,491 votes	(electronic votes 59,353,193 votes)	91.98%
Votes against	69,323 votes	(electronic votes 69,323 votes)	0.03%
Invalid Votes	- votes		0.00%
Votes abstained / Not Voted	13,947,537 votes	(electronic votes 13,947,487 votes)	7.97%

3. Extempore Motion:

Shareholder number 4984 asks：

The company's revenue last year was NT$1.654 billion, EPS was 1.92, and the monthly revenue from January to April 2025 reached NT$180 million. What is Zhengde's revenue situation and company prospects this year? In addition, regarding the impact of the exchange rate and the US tariff war, how will the company's profit performance be in 2025?

The chairman responds：

1. As the number of fleets has increased compared to last year, the company's revenue in 2025 will definitely be better than that in 2024, but the company estimates that the overall shipping market conditions remain the same.
2. The company's revenue is denominated in US dollars, and the appreciation of the Taiwan dollar will have a relative impact on the company's profits, but the company's management team will work hard to achieve a profit in 2025 that is equivalent to that in 2024.

4. Meeting Adjourned

(The minutes of this shareholders' meeting only state the key points of the meeting; the content and procedures of the meeting are still subject to the audio and video records of the meeting)

Attachment 1

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 AMOUNT	%	December 31, 2023 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 AMOUNT	%	December 31, 2023 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)

	Items	Notes	2024 AMOUNT	2024 %	2023 AMOUNT	2023 %
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		761,990	46	610,234	45
	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		676,069	41	512,396	38
	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)	3,550	-	1,410	-
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**		$ 582,807	35	$ 424,402	32
	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		454,988	28	(17,603)	(2)
8300	**Other comprehensive income(loss) for the year**		$ 454,988	28	($ 17,607)	(2)
8500	**Total comprehensive income for the year**		$ 1,037,795	63	$ 406,795	30
	Profit, attributable to:					
8610	Owners of the parent		$ 584,901	35	$ 424,402	32
8620	Loss, attributable to non-controlling interests		(2,094)	-	-	-
			$ 582,807	35	$ 424,402	32
	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)	-	-	-
			$ 1,037,795	63	$ 406,795	30
	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												
			Capital Reserves				Retained Earnings			Other equity interest				
	Notes	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	Total	Non-controlling interests	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	$ -	$ 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)(28)	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		$ 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
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	$ -	$ 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)(28)	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		$ 3,110,235	$ 1,505,651	$ 5	$ 80,395	$ 5,973	$ 234,700	$ -	$ 1,997,934	$ 543,792	($ 4)	$ 7,478,681	$ 562,692	$ 8,041,373

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)

	Notes	Year ended December 31 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)

	Notes	Year ended December 31 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)	$ 475,521	$ 448,715

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 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 75,921	1	$ 31,541	1
1110	Financial assets at fair value through profit or loss - current	6(2)	4,461	-	7,778	-
1180	Accounts receivable due from related parties, net	6(3) and 7	14,562	-	19,052	-
1210	Other receivables due from related parties	7	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 profit or loss - non-current	6(2)	87	-	397	-
1550	Investments accounted for using equity method	6(4)	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	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 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)

	Items	Notes	2024 AMOUNT	2024 %	2023 AMOUNT	2023 %
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	6(19)				
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 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		
	Notes	Ordinary share	Share premium	Treasury share 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	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)

	Notes	Year ended December 31 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 taxs 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.

Attachment 4

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

Attachment 5

Franbo Lines Corp

To Revise the Articles of Incorporation Comparison Table

Article number	Original Article	Article after amendment	Reason for amendment
The Articles of Incorporation			
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.	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. No less than 20% of the above employee remuneration amount should be allocated as remuneration for grassroots employees. 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.	Amendment to Article 14, Paragraph 6 of the Securities and Exchange Act
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, 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.	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.**	Adding amendment date

Attachment 6

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	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.	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

Attachment 7

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	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.	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 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