Stock Code: 2601

FIRST STEAMSHIP COMPANY LIMITED

2024

Annual Report

Taiwan Stock Exchange Market Observation Post System website:
http://mops.twse.com.tw
Date of publication: March 31, 2025

Company address and telephone:
Address: 14F., No. 237, Sec. 2, Fuxing S. Rd., Taipei City
Tel: (02)2706-9911
FAX: (02)2706-9922
The Company's website: www.firsteam.com.tw
Branch/factory: None

Stock transfer agency:
Name: KGI Securities Co., Ltd.
Address: 4F., No. 2, Sec. 1, Fuxing S. Rd., Taipei City
Tel: (02)2389-2999
Website:www.kgieworld.com.tw

Company spokesperson:
Name: Yen-Ling Lin
Title: Senior manager, board secretariat
Tel: (02)2326-7635
Email address:ballylin@firsteam.com.tw

Company acting spokesperson:
Name: Wei-Ling Liu
Title: Special Assistant to the chairperson
Tel: (02)2326-7668
Email address:cherryliu@firsteam.com.tw

Attesting CPA of the financial statements for the last year
Name: Shu-Ying Chang, Chun-Ming Pan
CPA firm: KPMG Taiwan
Address: 68F., No. 7, Sec. 5, Xinyi Rd., Taipei City
Tel: (02)8101-6666
Website: www.kpmg.com.tw

Table of Contents

One. **Letter to Shareholders**…….. 3

Two. **Corporate Governance**……..... 12

Three. **Capital Raising**…….. 175

Four. **Operation Overview**……..... 182

Five. **Review and analysis of financial position and financial performance, and risks**……..... 220

Six. **Special Matters**……..... 233

One. Letter to Shareholders

Dear shareholders,

The 2024 international dry bulk shipping market is characterized by an overall trend of rising in the first half of the year and declining in the second half, with the phenomenon of weaker off-season and less robust peak season. Due to the congestion at the Panama Canal and the significant increase in iron ore and coal exports, the market experienced strong bottom support, leading to an overall growth in the first half of the year that exceeded expectations. The volatility center shifted upward, significantly driving the large vessel market. In the second half of the year, despite increased capacity being added to the market and the peak season for South American grain exports approaching, the downward trend in the market could not be halted due to the reduction in global bulk cargo volumes.

The average BDI in 2024 was 1,754.7 points, marking a 27.30% increase compared to 2023. According to the vessel types, the BCI got the largest increase, reaching 37.85%. BPI, BSI, and BHSI rose by 9.69%, 21.47%, and 21.49%, respectively.

The global shipping industry is currently undergoing a pivotal period of rapid transformation. The year 2025 marks the beginning of this transformation. The European Union's new fuel regulations have being officially come into effect in 2025, leading to reduced sailing speeds and, consequently, longer voyage durations. However, the reopening of the Red Sea route is expected to lower transportation costs and alleviate supply chain pressures. The rise of the African market offers businesses fresh growth opportunities. Meanwhile, Europe's infrastructure upgrades and the fluctuating demand in the capacity market, influenced by global economic ups and downs, result in mutual constraints and challenges between these dual factors. Additionally, the substantial influx of new ship orders in the past two years further adds ambiguity to the market outlook.

The Maritime Shipping Department always operates in a stable manner. To cope with the fluctuation in the economic climate in the international dry bulk shipping market, the fleet has been operating under a business model in which ships are leased out as short-term or long-term charter ships. As of the end of 2024, the fleet has a total of 11 bulk carriers, including 5 KAMSARMAXs, 4 SUPRAMAXs, and 2 HANDYs, all of which are aged less than 10 years. The collective tonnage of the 11 vessels amounts to 700,365 tonnes. 3 ships thereof were chartered out under a long-term profitable contract, 7 were chartered out for the short- or medium-term, and 1 joined the KLAV POOL fleet for joint operations. Such a diversified business strategy enables higher shipping rate, thus the growth of the maritime transportation business under an uncertain climate.

In 2024, following the post-pandemic recovery, the global economy faces the challenge of slowing growth. The monetary policies of major economies have gradually entered an interest rate reduction cycle, further widening the economic gap between developed and developing countries. In 2024, many countries saw relief from the high inflation issues that plagued them in 2023. However, the Federal Reserve's monetary policies will continue to exert significant influence on the global economy. In China, the economy is at a critical stage of structural adjustment and

transformation. The shift from traditional growth drivers to emerging growth drivers is evolving at an accelerated pace. In the fourth quarter, the Consumer Confidence Index stood at 97.7, showing a year-on-year decrease of 4.6% but a quarter-on-quarter increase of 2.2%. Price confidence, investment confidence, and housing purchase confidence showed little year-on-year change. However, economic development confidence, employment confidence, and life confidence declined year-on-year. On a quarter-on-quarter basis, investment confidence experienced a significant rebound. Faced with such a complex and volatile external environment, Grand Ocean's overall performance did not reach the anticipated level, yet during these challenging times, we still achieved some accomplishments and progress.

The Grand Ocean Center officially opened on September 1, 2024. The Grand Ocean Center is located in the core area of Xunlimen on Jiefang Avenue, the premier commercial district in Central China. It integrates shopping, entertainment, dining, leisure, culture, art, and innovative retail into one hub. The center aims to establish a new trendy commercial landmark, serving as a social and entertainment gathering spot for young people. Building on the foundations of "great to explore," "great to shop," and "great value" at "The Grand Ocean Jingdian," it further enhances the sense of experience, freshness, and youthful energy. It strives to become a pioneer in Wuhan's consumer market.

Additionally, in 2024, we made adjustments to certain floors in several stores. These included renovations to the basement level of the Hefei store, the first and third floors of the South Second store, as well as modifications to the Fuzhou Second store and Wuhan Second store. As a result, we achieved optimized business combinations and an upgrade in brand positioning, with a particular focus on attracting dining and experiential businesses. During the period, the leasing area reached 70,633 square meters, accounting for 20.1% of the total. The vacancy rate further declined, significantly enhancing product competitiveness. Changes in consumer behavior, such as a preference for experiences and a lack of interest in pure retail, have prompted the Grand Ocean to continue advancing its transformation into a department store shopping center model, increasing the proportion of experiential businesses. Currently, most stores have successfully undergone the transformation into department store shopping centers, such as Fuzhou Underground Street, Quanzhou Store, Shiyan Store, and Nanjing First Store. A few are still in progress. This adjustment enables the company to better leverage its strengths and enhance consumers' experience of the shopping center attributes. In this regard, the Grand Ocean is ahead of the industry.

In 2024, the Grand Ocean integrated the parking facilities of eight stores with the in-store micro-mall system. This integration made parking more convenient and allowed members to redeem points, enhancing both their convenience and engagement levels. The group has integrated its membership system with Meituan, making it convenient for members to share and utilize their membership benefits. Meanwhile, nine stores have introduced Meituan mobile power banks, further enhancing their appeal to new members and improving customer convenience.

In 2024, the Grand Ocean significantly increased the frequency and efficiency of its online

activities by conducting numerous large-scale live streaming events during this period. The live-streaming GMV (excluding Meituan) reached NT$100 million, with self-hosted streams contributing RMB80 million to this achievement. The Grand Ocean released 8,643 short videos across platforms like WeChat Video Channels, Tik Tok, and rednote. These videos showcased various outfit styles for different occasions, setting fashion trends and strengthening engagement between platforms and customers. Fans of the Grand Ocean have developed a deeper interest and reliance on the brand. This, in turn, has boosted store appeal and consumer spending power at locations such as Yichang Store, Hefei Store, Wuhan First Store, Wuhan Second Store, Shiyan Store, the Grand Ocean Center, and Fuzhou Second Store—all of which performed exceptionally well. Numerous outstanding stores emerged during this process, reflecting the success of this strategy. The Grand Ocean achieved a year-on-year increase of 16% in its online performance, with the proportion of online sales rising to 34%.

Additionally, the Grand Ocean continues to reduce overseas dollar loans, repaying them through funds remitted from China, which effectively lowers its international financial expenses.

I. 2024 Business Results

(I) Implementation results of business plan

In 2024, FIRST STEAMSHIP COMPANY recorded a consolidated operating revenue of NT$4,849,992 thousand, down 11.85% from NT$5,501,923 thousand in 2023, a post-tax loss of NT$517,771 thousand; a net post-tax loss attributable to FIRST STEAMSHIP COMPANY in its parent company only financial statements in the amount of NT$288,774 thousand; a basic loss per share of NT$0.35; a diluted loss per share of NT$0.35; a net worth per share of NT$10.94.

(II) Implementation status of the budget:

FIRST STEAMSHIP COMPANY did not make public its 2024 financial forecast was not made public, so it is not applicable.

(III) Consolidated financial receipts and expenditures and profitability analysis
Unit: NT$ Thousand.

Analysis \ Year		2024	2023
Analysis Item	Operating revenues	4,849,992	5,501,923
	Operating gross margins	3,091,076	3,607,995
	Operating net profits	(7,528)	(250,809)
	Non-operating incomes and expenses	(445,880)	(2,054,067)
	Net profits (losses) before tax	(453,408)	(2,304,876)
	Net profits (losses) for the period	(517,771)	(2,532,407)
	Net profits (losses) for the period attributable to shareholders of the parent	(288,774)	(1,669,494)
Profitability	Return on assets (%)	0.48	(4.90)
	Return on equity (%)	(4.70)	(20.60)
	Net profits before tax to paid-in capital (%)	(5.50)	(27.95)
	Net profit margin (%)	(10.68)	(46.03)
	Earnings per share ($NT)	(0.35)	(2.02)

(IV) Research and Development: Not applicable.

II. Summary of 2025 Business Plan

(I) Business Policy

· **Marine Transportation Business**

(1) Implement electronic ship management, improve maintenance efficiency, reduce operating costs, and improve operating efficiency.

(2) Strengthen crew and shore management's professional skills training, improve ship safety management, and reduce operational risks.

(3) Closely observe the trend of the marine transportation market, carefully evaluate the lease and purchase of vessels at the appropriate time, reduce the average age of the fleet, and increase the fleet's operating utilization.

· **Department Store Business**

The current Chinese consumer market is unlikely to return to a thriving state in the short term, as consumer habits remain in a passive engagement stage. Online consumption continues to grow at a multiple rate compared to offline consumption. From this, it can be inferred that the shift in consumer priorities from "cost-effectiveness" to "quality-to-price ratio" reflects the current slump in the consumer market.

In 2025, the Grand Ocean introduced the operational theme of "Following the trend. Driving both online and offline wheels. Acting in response to the situation. Focusing on dual-direction retail experiences." We require all stores to provide consumers with comprehensive shopping services by aligning with market trends and consumer needs, adhering to the principle of "online traffic generation and offline experience." Market expansion is being steadily advanced through the dual-wheel drive of online and offline integration. Meanwhile, we continue to innovate, optimize our brand lineup, and actively introduce emerging formats and brands to achieve the goal of integrating retail and experiential offerings.

(II) Business Outlook

· **Marine Transportation Business**

The global shipping industry in 2025 is at a critical turning point, influenced by regulatory changes, geopolitical disruptions, technological advancements, and evolving market dynamics. Understanding the main driving factors and challenges in this intricate environment is vital for shaping a resilient and sustainable future for the global shipping market. Stakeholders can navigate unprecedented challenges and opportunities to establish a sustainably profitable course through the coordination of regulations, technology, and market strategies. The key to success lies in embracing innovation, fostering collaboration, and adapting to the ever-changing global landscape.

In response to the uncertain factors and changes in the market, the First Steamship fleet has been able to reduce operating costs, eliminate outdated vessels, and improve operating efficiency with its stability and strength. We will purchase vessel models that meet future regulatory requirements at the right time and seek reputable charterers in the market to sign stable and profitable contracts in order to enhance fleet capacity and improve the competitiveness.

III. Future Development Strategy

· **Marine Transportation Business**

(I) Expand bulk carrier businesses for both self-owned and chartered vessels.

(II) Participate in domestic and international cargo tender business and steadily increase the cargo volume transported by vessels.

(III) Take on period charters to lock in profitable rents with long-term contracts or join well-known syndicated teams to obtain more cargo business and higher freight rates through operational advantages.

· **Department Store Business**

The current Chinese consumer market is unlikely to return to a thriving state in the short term, as consumer habits remain in a passive engagement stage. Online consumption continues to grow at a multiple rate compared to offline consumption. From this, it can be inferred that the shift in consumer priorities from "cost-effectiveness" to "quality-to-price ratio" reflects the current slump in the consumer market.

In 2025, the Grand Ocean introduced the operational theme of "Following the trend.

Driving both online and offline wheels. Acting in response to the situation. Focusing on dual-direction retail experiences." We require all stores to provide consumers with comprehensive shopping services by aligning with market trends and consumer needs, adhering to the principle of "online traffic generation and offline experience." Market expansion is being steadily advanced through the dual-wheel drive of online and offline integration. Meanwhile, we continue to innovate, optimize our brand lineup, and actively introduce emerging formats and brands to achieve the goal of integrating retail and experiential offerings.

The current downturn in China's consumer market has yet to improve. Consumers are increasingly prioritizing product quality, experience, practicality, and value. This places higher demands on physical retail businesses to adapt and meet these evolving expectations. To address this challenge, we need to adjust our business philosophy. This involves conducting in-depth research on consumer behavior and psychology, understanding their personalized and diverse needs, and fully leveraging tools such as big data and AI technology. Additionally, we must strengthen membership management by implementing meticulous management and precise marketing strategies. Meanwhile, online and offline channels should complement each other to fully leverage talent, actively cultivate professionals, and drive the Company's innovation and progress. Here are the development strategies tailored to the current situation:

(I) Strengthening online and offline membership management

The Grand Ocean has always adhered to a "customer-centric" business philosophy, accumulating a wealth of membership resources over the years through consistent efforts. By leveraging big data and AI technology to analyze consumer shopping behaviors and habits, we can implement targeted marketing strategies to meet their personalized and diverse needs, thereby achieving precise marketing execution.

In terms of membership management, we utilize data analysis to gain deeper insights into member needs. Based on this understanding, we design a variety of membership activities, such as monthly fixed member-day events and high-value points redemption for popular products or services. Additionally, traditional offline promotional channels can no longer meet current demands. Therefore, it is essential to proactively utilize multiple online and offline channels for event promotion, encouraging active participation from members.

The Grand Ocean's Borderless Retail Business Unit is committed to expanding online sales channels. It aims to broaden the scope of online promotion and actively establish strategic collaborations with major online platforms to compensate for the shortcomings of offline sales.

(II) Fully advancing investment promotion, adjustment, and upgrading efforts

Adjustment and upgrading have become essential pathways for the retail industry to adapt to consumer changes and address competition. In 2025, the Grand Ocean focuses on advancing the investment promotion efforts for Qianshu Phase I and II, the Grand Ocean Center in Wuhan, and the second store in Fuzhou. Target brands are precisely positioned based on factors such as the city's economic level, consumer habits, and population structure. This strategic approach ensures alignment with local market

dynamics and consumer preferences. For example: In Shanghai, where consumption is diverse and premium, industries focusing on quality and experience, such as children's services and fashionable sports formats, can be introduced. In Wuhan, characterized by high consumer vitality and an emphasis on cost-effectiveness and trends, high-value brands, trendy domestic goods, and internet-famous dining options could be suitable additions. In Fuzhou's developed commercial districts, brands with quality assurance and local specialty dining options is necessary. In 2025, our goal is to reduce the vacancy rate to below 10%, providing strong support for the stable development of the group.

(III) Streamlining operations to enhance efficiency

Streamlining operations are key measures for improving efficiency, lowering costs, enhancing flexibility, and service quality, which contribute significantly to business development and meeting market demands. In 2025, the Grand Ocean further optimizes store personnel structures and strictly control redundant. At the same time, hierarchical responsibilities are refined for detailed management, and the team of management-level cadres undergoes comprehensive review and optimization. A "promotion and demotion" assessment mechanism is implemented, setting clear rectification deadlines for underperforming departments or individuals to enhance overall management efficiency.

Additionally, building on the successful experience of the OA system's time-limited approval process, we regularly gather employee feedback on the system. Based on this input, we address issues such as cumbersome procedures and lengthy approval times. The approval process is streamlined, response times is shortened, and overall work efficiency is improved.

(IV) Enhance talent development and improve the reward system

The Grand Ocean will further enhance talent development by breaking conventional employment mechanisms. It aims to identify employees with exceptional talents and potential, adopting an open-minded approach to selecting and nurturing talent. To ensure that talents can maximize their value in suitable roles, outstanding employees shall be provided with promotion opportunities or the right to participate in key projects, without being restricted by qualifications or educational background.

Meanwhile, the talent reward system is being improved, further advancing the implementation of the comprehensive goal accountability system. This system, which has been in place for over two years, has achieved remarkable results. In 2024, despite the impact of the broader environment, only a few stores successfully earned bonuses. By the same reasoning, as long as the goals are achieved, we are willing to provide employees with greater rewards. In 2025, we will further optimize the evaluation system. Responsibilities will be specifically assigned to department managers and floor supervisors, with monthly evaluations being reinforced and effectively implemented. If the targets are not met, the group will assist in analyzing the issues and formulating improvement strategies. However, those who show no progress after receiving support will be eliminated.

IV. Effect of external competition, legal environment, and overall business environment.

· **Marine Transportation Business**

In 2024, major mid-sized economies in Europe and the United States reduced interest rates to stimulate private consumption and investment. Global economic growth demonstrated a steady trend. Due to the easing of inflation, countries were able to adopt expansionary economic policies. On January 17, 2025, the International Monetary Fund (IMF) released its "World Economic Outlook" report, revising the global economic growth forecast for this year to 3.3%. However, the trade policies and fiscal measures of the new U.S. administration may delay the timeline for global inflation to cool down. This could disrupt supply chain development, subsequently affecting international capital flows and economic growth. The uncertainty surrounding U.S. trade policies, inflationary pressures, and geopolitical risks will continue to disrupt markets. The global political and economic environment may undergo significant changes in 2025.

The Group’s fleet complies with the United Nations’ International Maritime Organization regulations for crew working hours, leisure, recreation space, and minimum wage standards, as well as the working environment of the vessels. In addition, the awareness of environmental protection is rising around the world, and marine pollution and air pollution by ships have always been important to all countries. Therefore, in addition to complex and diverse international conventions and regulations, governments of various countries have also established relevant laws and measures for individual sea areas to strictly require ships to comply with the regulations and strengthen ship safety inspections. The costs of marine transportation operations and management will continue to increase in the future.

· **Department Store Business**

The development trend of the consumer market in 2025 will be influenced by the combined influence of technological progress, social changes and economic environment. Specifically, the process of online and offline integration is accelerating, and consumers' requirements for shopping experience are increasing; consumption concepts have shifted from focusing on "cost-effectiveness" to pursuing "quality-price ratio"; and the demand for personalized consumption and emotional consumption has significantly increased. Dayang will closely monitor this trend and actively make targeted adjustments.

In 2024, the retail industry faces two major pressures: weak consumption and consumption diversion. The overall situation is worse than expected, and businesses are generally under great pressure in their operations. At the Central Economic Work Conference held in mid-December, "boosting consumption, improving investment efficiency, and expanding domestic demand in all directions" was listed as the first of the nine tasks to be carried out in 2025, which brought a major turning point for retail development.

China is currently actively activating its domestic financial markets and increasing support for the development of the stock market. There are signs of overseas funds flowing in, which may subsequently create breakthroughs in the economy and boost domestic

consumption. Various provinces and cities in China have successively launched large-scale infrastructure projects, including the renovation of old cities and the construction of infrastructure, in order to produce a new and old driving force transformation, which is expected to be of considerable help to the recovery of the domestic consumer market. It is still difficult to judge whether China's consumer market will improve soon, but some of the above favorable signs have appeared, which will stimulate the domestic consumer market.

"The future is bright, but the road is tortuous." Although the retail market is facing difficulties, we firmly believe that the current difficulties are temporary. Grand Ocean should follow the trend and adapt to market and consumer demands, continuously improve its business capabilities, actively adjust and upgrade, and optimize resource allocation. By focusing on consumers, improving service quality, and concentrating our efforts on overcoming difficulties, we will surely usher in new development opportunities.

First Steamship team is fully aware of and will respond prudently to the changes in the global political and economic landscape as well as market fluctuations. Operational cost control will be strengthened, cost-effectiveness evaluations will be prioritized, and projects with high investment returns will be actively developed. The vessel operations will be conducted in the most favorable manner, continuing to expand its physical retail in department stores and telemarketing. The Group actively manages the operations of its equity investees and adjusts its overall business strategy in a timely manner in response to changes in the operating environment to lay a solid foundation for long-term operations. We firmly believe that a robust development strategy of diversified business management can drive First steamship to create advantages, expand profits, and continuously grow upwards in a competitive environment. We look forward to your continued support and encouragement. We wish you all good health and happiness!

Chairperson Jen-Hao Kuo

Two. Corporate Governan

I. Directors and major managerial officers

(I) Information on directors

March 31, 2025

Title (Note 1)	Nationality or place of registration	Name	Gender and age (Note 2)	Elected (Assuming Office) Date	Term of Office	Date First Elected (Note 3)		Shareholding when elected		Shareholding now		Shareholding of spouse and minor children now		Shareholding in the name of others		Major educations and experiences (Note 4)	Concurrent positions in the Company and other companies now	Spouse or relatives within the second degree of kinship who are managerial officers or Company directors			Remarks (Note 5)
								Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Chairperson (Note 8)	Republic of China	Yonghenghui Investment Co., Ltd.	-	June 16, 2023	3 years	June 18, 2020		15,700,000	2.49	23,791,000	2.88	0	0	0	0	Not applicable	Not applicable	-	-	-	
	Republic of China	(Representative: Jen-Hao Kuo)	Male 41~50 years old	June 16, 2023	3 years	June 24, 2016		0	0	1,057,006	0.13	0	0	23,791,000	2.88	Tian Ran Group/Director, Chief finance officer Private Equity Management Group Vice president, PWC Transaction Services、Merrill Lynch Research Assistant、ace University NY MBA Finance &Accounting US CPA	Chairman & CEO, First Steamship Co., Ltd. Chairman, Grand Ocean Retail Group Limited. Chairman & CEO, Royal Sunway Development Co., Ltd. Chairman & CEO, Taiwan Environmental Scientific Co., Ltd. Chairman & CEO, Yee Shin Investment Co., Ltd. Chairman & Non-executive Director, Sandmartin International Holdings Limited. Director, Jia Wang Asset Development Co., Ltd., Chairman, Yonghenghui Investment Co., Ltd. Chairman & Non-executive Director & Member of Auditing Committee and Remuneration Committee, Da Yu Financial Holdings Limited Chairman, Fuliyang Technology Co., Ltd. Chairman, Richwell Capital Ltd. Director, Wiselink Co., Ltd. Director,Yung Fu Co., Ltd Director,Pro Brand Technology (TW) INC,Grand Citi Ltd. And (Note 7)	-	-	-	(Note 6)
Director (Note 9)	Republic of China	Henghua Investment Co., Ltd.	-	June 16, 2023	3 years	January 29, 2002		52,354,078	8.30	57,065,945	6.92	0	0	0	0	Not applicable	Not applicable	-	-	-	
	Republic of China	(Representative: Chien-Wan Chuang)	Male 61~70 years old	June 16, 2023	3 years	July 1, 2008		0	0	21,800	0.003	0	0	0	0	Deputy general manager /FIRST STEAMSHIP COMPANY LIMITED Keelung Maritime School	COO, Marine Business, First Steamship Co., Ltd. And (Note 7)	-	-	-	

Title (Note 1)	Nationality or place of registration	Name	Gender and age (Note 2)	Elected (Assuming Office) Date	Term of Office	Date First Elected (Note 3)		Shareholding when elected		Shareholding now		Shareholding of spouse and minor children now		Shareholding in the name of others		Major educations and experiences (Note 4)	Concurrent positions in the Company and other companies now	Spouse or relatives within the second degree of kinship who are managerial officers or Company directors			Remarks (Note 5)
								Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Director (Note 10)	Republic of China	Xundong Investment Co., Ltd.	-	June 16, 2023	3 years	January 29, 2002		13,903,157	2.20	15,154,441	1.84	0	0	0	0	Not applicable	Not applicable	-	-	-	
	Australia	(Representative: Wai-Tak Yau)	Male 61~70 years old	June 16, 2023	3 years	July 2, 2018		0	0	0	0	0	0	0	0	Allied Group Limited, Head of Internal Audit、 Rising Peak Group Company Limited, Chief Financial Officer, and Company Secretary. Canton Property Investments Limited, Chief Financial Officer, and Company Secretary. Bachelor of Economics, with Accounting major, Macquarie University, Sydney, Australia. Member of the Australian Society of Certified Practising Accountants.	FIRST STEAMSHIP COMPANY LIMITED /Chief Financial Officer and Accounting Officer. Grand Ocean Retail Group Limited/Chief Financial Officer. And (Note 7)	-	-	-	
Independent director (Note 11)	Republic of China	Tseng-ping Chao	Male 51~60 years old	June 16, 2023	3 years	June 21, 2017		0	0	0	0	0	0	0	0	Union Capital (Taiwan) Asset Management co./general manager, director, Ruizi Securities Investment Consulting (Stock) Company, directorTexas A&M University Master of Science in Finance	Chairman & CEO, Union Capital (Taiwan) Asset Management Co. Ltd. UCAP Securities (HK) Limited Chairman.	-	-	-	
Independent director (Note 12)	Hong Kong	Ping-Sum Lui	Male 41~50 years old	June 16, 2023	3 years	June 24, 2022		0	0	0	0	0	0	0	0	Argyle Street Management Limited/PartnerBDA Partners / Senior Manager, Dah Chong Hong Holdings Limited/ Senior chief of the Business Analysis Department, PwC / senior auditor, Department of Accounting, The Chinese University of Hong Kong CPA of the Hong Kong Institute of Certified Public Accountants	Argyle Street Management Limited / Partner, CPA of the Hong Kong Institute of Certified Public Accountants.	-	-	-	

Title (Note 1)	Nationality or place of registration	Name	Gender and age (Note 2)	Elected (Assuming Office) Date	Term of Office	Date First Elected (Note 3)		Shareholding when elected		Shareholding now		Shareholding of spouse and minor children now		Shareholding in the name of others		Major educations and experiences (Note 4)	Concurrent positions in the Company and other companies now	Spouse or relatives within the second degree of kinship who are managerial officers or Company directors			Remarks (Note 5)
								Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Independent director (Note 13)	Republic of China	Jung-Tsung Yang	Male 61~70 years old	June 16, 2023	3 years	June 18, 2020		0	0	0	0	0	0	0	0	Hengsheng Law Firm/president, Chainqui Construction Development Co., Ltd. /Representative of juristic-person director, Chyun International Co., Ltd., Taiwan High Prosecutors Office/Prosecutor, Taiwan Taipei District Prosecutor's Office/Prosecutor, Department of Justice/prosecutor, Taiwan Taipei District Court/Prosecutor's Office chief prosecutor, Supreme Court Prosecutor's Office/Special Investigation Division chief, spokesperson, Academy for the Judiciary, Ministry of Justice, Institute of Diplomatic & International Affairs, Ministry of Foreign Affairs, Lectures at the Judges Academy, Ministry of Justice, 2013 Model public servants of the Ministry of Justice, Graduated from Department of Law, National Taiwan University, Master of Political Science, National Taiwan University, 1991 Examination for Lawyers, Passed the Special Examination for Judicial Officers.	Hengsheng Law Firm/president. CTBC Bank/director.	-	-	-	
Independent director (Note 14)	Australia	Jaime Che	Male 41~50 years old	June 16, 2023	3 years	June 16, 2023		0	0	0	0	0	0	0	0	Director, British Guayman Islands, Shang Likai Electric Energy Technology Co., Ltd., 43rd board of directors/vice chairman, Hong Kong YAN OI TONG, 42nd board of directors/general manager, Hong Kong YAN OI TONG, executive director/CEO, FDG Kinetic Limited, executive director and CEO, FDG Electric Vehicles Limited, executive director special assistant and investor relations manager, Hong Kong Fushan International Energy Group Co., LTD, Bachelor of Business at the University of New South Wales, Australia, 1996~1999 THE SCOTS COLLEGE graduation	None.	-	-	-	

Note 1： Juristic-person shareholders should list their names and representatives separately (for their representatives, the names of the juristic-person shareholder should be indicated), and should fill in the following table (II) the major shareholders of the juristic-person shareholder, and (III) the major shareholders of the juristic-person shareholder.

Note 2： Please indicate the actual age, which can be expressed by range, such as 41~50 years old or 51~60 years old.

Note 3： Fill in the time when first serving as a director or supervisor of the Company. If there is any interruption, it should be Noted.

Note 4： For experience related to the current position, if ever worked for the CPA firm or its affiliated companies during the period mentioned in the preceding paragraph, the

title of the position and the duties performed should be specified.

Note 5： If the chairperson and the general managers or equivalents (the top managerial officers) of the Company are the same person, each other's spouse or relative within the first degree of kinship, the reason, rationality, necessity, corresponding measures (such as increasing the number of independent directors and having a majority of directors who are not concurrently serving as employees or managerial officers, etc.) and related information should be disclosed: No such situation.

Note 6： Since June 24, 2016, Mr. Jen-Hao Kuo took over as general manager and has dedicated to the reorganization and transformation of the Company; then took over concurrently as chairperson and general manager on December 19, 2017, and delivered a good result by the end of 2017, turning the Company's continuous losses to profits. In order to continue to strengthen and implement group integration and resource consolidation, it is still necessary at this stage to have a high degree of mastery over the Company's operations, business strategies, risk controls as well as over the overall industry dynamics so that the Company can take operational countermeasures and make target adjustments at critical moments.The Company expects to add an independent director if the chairperson and general manager are still the same person when the board directors are fully re-elected in June 16, 2023, in order to strengthen the independence of the Board of Directors and comply with regulations. There are 7 directors, only 3 of which have the status of employees or managers, and at the same time meet the requirement that a majority of the directors should not also be employees or managers, while the remaining 4 are all independent directors with more than one-half of the number of seats on the Board of Directors, so the Board of Directors still maintains its objectivity in decision-making.

Note 7： Please refer to Six. Special Matters of this annual report for i. (ii). 3. Directors, supervisors and general managers of affiliates.

Note 8： On June 16, 2023, the Board of Directors was fully re-elected, including the re-elected juristic-person director, and Mr. Jen-Hao Kuo continued to be the representative.

Note 9： . On June 16, 2023, the Board of Directors was fully re-elected, including the new juristic-person director, represented by Mr. Chien-Wan Chuang.

Note 10： On June 16, 2023, the Board of Directors was fully re-elected, including the new juristic-person director, represented by Mr. Dennis Wai-Tak Yau.

Note 11： On June 16, 2023, The Board of Directors was fully re-elected, including the new independent director.

Note 12： On June 16, 2023, The Board of Directors was fully re-elected, including the new independent director.

Note 13： On June 16, 2023, The Board of Directors was fully re-elected, including the new independent director.

Note 14： On June 16, 2023, The Board of Directors was fully re-elected, including the new independent director.

(II) Major shareholders of juristic-person shareholders: March 31, 2025

Name of juristic-person shareholder (Note 1)	Major shareholders of juristic-person shareholders (Note 2)
Yonghenghui Investment Co., Ltd.	Jen-Hao Kuo（Holding99%）, Yi-Ying Lai（Holding1%）
Henghua Investment Co., Ltd.	Xundong Investment Co., Ltd.（Holding100%）
Xundong Investment Co., Ltd.	Jiancheng Investment Co., Ltd.（Holding100%）

Note 1： If the director or supervisor is a representative of a juristic-person shareholder, the name of the juristic-person shareholder should be filled in.
Note 2： Fill in the names of the major shareholders of the juristic-person shareholder (whose shareholding % is among the top ten) and their shareholding%. If the major shareholders of a juristic-person shareholder are juristic persons, table 2 below should be filled in.
Note 3： If a juristic-person shareholder is not a corporate organization, the name of the shareholder and shareholding % mentioned in the preceding paragraph shall be the name of the contributor or donor and the percentage of the contribution or contribution or donation.

(III) If the major shareholder is a juristic person, its major shareholder:

March 31, 2025

Name of juristic-person(Note 1)	Major shareholders of juristic-persons(Note 2)
Xundong Investment Co., Ltd.	HANGLETON HOLDINGS LTD.（holding100%）
Jiancheng Investment Co., Ltd.	FORTUNE GOLD INVESTMENTS LTD.（holding100%）

Note 1： If the major shareholder in Table 1 above is a juristic-person, the name of the juristic-person should be filled in.
Note 2： Fill in the names of the major shareholders of the juristic-person (whose shareholding % is among the top ten) and their shareholding%.
Note 3： If a juristic-person shareholder is not a corporate organization, the name of the shareholder and shareholding % mentioned in the preceding paragraph shall be the name of the contributor or donor and the percentage of the contribution or contribution or donation.

(IV) Disclosure of professional qualifications of directors and independence of independent directors:

Criteria / Name/Role	Professional qualification and experience (Note 1)	Status of Independence (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Jen-Hao Kuo/chairman (On June 16, 2023, fully re-elected)	Certified public accountant in the United States. Graduated fromPace University NY MBA Finance & Accounting. Experience: Tian Ran Group/Director, Chief finance officer, Private Equity Management Group Vice president. PWC Transaction Services. Merrill Lynch Research Assistant. Work experiences and professional knowledge and skills in business, financial, accounting or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	The individual's independence is not affected by the fact that he or she served as the Company's chairperson concurrently as the general manager, as well as served as the director, general manager and CEO of the Company's affiliates (Note 3), two years before elected two years and during their terms of office while all significant matters are reported to the Board of Directors for resolution before implementation. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates. A natural-person shareholder holding more than 24,848,006 shares, 3.01% of the total number of issued shares or among the top 10 natural-person shareholders in the name of the individual itself, its spouse, minor children or others. The individual is the representative of the juristic-person Yonghenghui and has only obtained 1 seat in the Board of Directors of the Company and does not have the ability to control a majority of the seats in the Board of Directors and control the voting rights of other directors. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Name/Role	Professional qualification and experience (Note 1)	Status of Independence (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Chien-Wan Chuang/director (On June 16, 2023, fully re-elected)	Graduated from the Keelung Maritime School Experience: FIRST STEAMSHIP COMPANY LIMITED, deputy general manager Work experiences and professional knowledge and skills in business, marine, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	The individual's independence is not affected by the fact that he or she served as the COO of the Company's Marine Transportation Business Unit and served as the director of the Company's affiliates (Note 3), two years before elected two years and during their terms of office while all significant matters are reported to the Board of Directors for resolution before implementation. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 21,800 shares, accounting for 0.003%. The individual is the representative of the juristic-person Henghua and has only obtained two seats in the Board of Directors of the Company and does not have the ability to control a majority of the seats in the Board of Directors and control the voting rights of other directors. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Name/Role	Professional qualification and experience (Note 1)	Status of Independence (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Dennis Wai-Tak Yau /director (On June 16, 2023, fully re-elected)	Certified public accountant in Australia Graduated as the Bachelor of Economics, with accounting major, Macquarie University, Sydney, Australia. Experience: Allied Group Limited, Head of Internal Audit. Rising Peak Group Company Limited, Chief Financial Officer, and Company Secretary. Canton Property Investments Limited, Chief Financial Officer, and Company Secretary. Work experiences and professional knowledge and skills in business, financial, accounting or related areas required for the Company's business Not a peson with any of the circumstances under Article 30 of the Company Act.	The individual's independence is not affected by the fact that he or she served as the CFO & CAO of the Company's and served as the director of the Company's affiliates (Note 3), two years before elected two years and during their terms of office while all significant matters are reported to the Board of Directors for resolution before implementation. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates. The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. The individual is the representative of the juristic-person Xundong and has only obtained 1 seat in the Board of Directors of the Company and does not have the ability to control a majority of the seats in the Board of Directors and control the voting rights of other directors. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Name/Role	Professional qualification and experience (Note 1)	Status of Independence (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Tseng-ping Chao /Independent director, /Audit Committee convener, /Remuneration Committee convener /Nomination Committee convener (On June 16, 2023, fully re-elected)	Graduated from Texas A&M University Master of Science in Finance. Experience: Union Capital (Taiwan) Asset Management co./ chairman and general manager Ruizi Securities Investment Consulting (Stock) Company, director Private Banking Department, The Hongkong and Shanghai Banking Corporation, Taipei Branch/vice president Credit Lyonnais Securities Asia Taipei/Senior Investment Advisor (36 years of professional experience in finance and business) Current position: Union Capital (Taiwan) Asset Management co./ chairman and general manager Work experiences and professional knowledge and skills in business, finance, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Name/Role	Professional qualification and experience (Note 1)	Status of Independence (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Jung-Tsung Yang /Independent director, /member of Audit Committee /member of Remuneration Committee /member of Nomination Committee (On June 16, 2023, fully re-elected)	Passed the Examination for Lawyersandthe Special Examination for Judicial Officers. Graduated from the Department of Law of National Taiwan University, master of the Graduate School of Political Science, National Taiwan University. Experience: Attorney, Taipei District Court, Taiwan; Attorney, Office of the Ministry of Justice; Director of the Taipei District Court, Taiwan; Attorney, Taiwan High Court, Taiwan; Head of the Special Investigation Section, Supreme Court Prosecutor's Office; Spokesperson; 102 model public servant in the Ministry of Justice; Judicial Officer Academy, Ministry of Justice; Foreign Service Institute, Ministry of Foreign Affairs; Chair, Judicial College, Judicial Yuan; President, Hengsheng Law Firm. (33 years of professional experience in legal affairs and business) Current position: Hengsheng Law Firm/president CTBC Bank/director Work experiences and professional knowledge and skills in business, legal affairs, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Name/Role	Professional qualification and experience (Note 1)	Status of Independence (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Ping-Sum Lui /Independent director, /member of Audit Committee /member of Remuneration Committee /member of Nomination Committee (On June 16, 2023, fully re-elected)	CPA of the Hong Kong Institute of Certified Public Accountants Department of Accounting, The Chinese University of Hong Kong. Experience: Argyle Street Management Limited /Partner BDA Partners /Senior Manager Dah Chong Hong Holdings Limited/ Senior chief of the Business Analysis Department PwC / senior auditor (24 years of professional experience in accounting, finance, and business) Current position: Argyle Street Management Limited /Partner Work experiences and professional knowledge and skills in business, financial, accounting or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Name/Role	Professional qualification and experience (Note 1)	Status of Independence (Note 2)	Number of other public companies in which the individual is concurrently serving as an independent director
Jaime Che /Independent director, /member of Audit Committee /member of Remuneration Committee /member of Nomination Committee (On June 16, 2023, fully and newlyelected)	The University of New South Wales, Australia Study Bachelor of Business program, Graduated from 1996~1999 THE SCOTS COLLEGE. Experience: Director of British Guayman Islands, Shang Likai Electric Energy Technology Co., Ltd. 43rd board of directors/vice chairman, Hong Kong YAN OI TONG 42nd board of directors/general manager, Hong Kong YAN OI TONG Executive director/CEO, FDG Kinetic Limited Executive director and CEO, FDG Electric Vehicles Limited Executive director special assistant and investor relations manager, Hong Kong Fushan International Energy Group Co., LTD (Professional experience in financeandbusiness 16 years) Work experiences and professional knowledge and skills in business, finance, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Diversity and Independence of the Board of Directors:

(I) Diversity of the Board of Directors:

The Company advocates , and respects the policy of board diversityin order to strengthen corporate governance and promote the sound development of board composition and structure, believing that the diversity approach will help enhance the overall performance of the Company. Board members are selected on the basis of merit and have diverse and complementary abilities across industries, including basic composition (e.g., age, gender, nationality, etc.), industry experience and related skills (e.g., marine, department stores, finance, accounting, legal affairs, and business), as well as business judgment, operation management, leadership, and crisis management. In order to strengthen the functions of the Board of Directors to achieve the desired goals of corporate governance, Article 20 of the Company's “Corporate Governance Principles” state that the Board of Directors as a whole should possess the following competencies:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Industry Knowledge
6. An international market perspective.
7. Leadership ability.
8. Decision-making ability.

The diversity policy of the current Board of Directors of the Company and its implementation are as follows:

Diversified cores / Name of director	Basic composition			Basic composition						Industry experience								Professional competency		
	Nationality	Gender	Concurrently serving as an employee	Age			Term and seniority of independent director			Maritime transportation	Department store	Professional service and marketing	Accounting and finance	Construction and engineering	Banking, insurance, and real estate	Commerce and supplies	ICT	Law	Accounting	Risk management
				41~50 years old	51~60 years old	61~70 years old	Under 3 years	Under 3~6 years	6~9 years											
Chairperson Jen-Hao Kuo	Republic of China	Male	✓	✓							○	✓	✓	✓	✓		○		✓	✓
Director Chien-Wan Chuang	Republic of China	Male	✓			✓				✓		✓				✓	○			✓
Director Dennis Wai-Tak Yau	Australia	Male	✓			✓				✓	✓		✓		○	○		✓	✓	✓
Independent director Tseng-ping Chao	Republic of China	Male			✓				✓				✓		✓	✓	✓			✓
Independent director Jung-Tsung Yang	Republic of China	Male				✓		✓					○	○	✓	○	○	✓		✓
Independent director Ping-Sum Lui	Hong Kong	Male		✓			✓					✓	✓	○	✓	✓	✓		✓	✓
Independent director Jaime Che (Newly appointed on June 16, 2023)	Australia	Male		✓			✓				○	✓	✓	○	✓	✓	✓	○	○	✓

Note: ✓means capable,○means partially capable.

(1) The 7 members of the 22nd Board of Directors of the Company (including 4 independent directors) are as a whole capable of business judgment, leadership, business management, international market perspective and crisis management, and have industry experience and professional capabilities. Among them, Director Chien-Wan Chuang and Director Dennis Wai-Tak Yau are experienced in the maritime industry; Director Dennis Wai-Tak Yau in the department store industry; Director Jen-Hao Kuo, Director Chien-Wan Chuang, Independent Director Ping-Sum Lui, and Independent Director Jaime Che in professional services and marketing; Director Jen-Hao Kuo, Director Dennis Wai-Tak Yau, Independent Director Tseng-Ping Chao, Independent Director Ping-Sum Lui, and Independent Director Jaime Che in finance and treasury; Director Jen-Hao Kuo in construction and engineering; Director Jen-Hao Kuo, Independent Director Tseng-Ping Chao, Independent Director Jung-Tsung Yang, Independent Director Ping-Sum Lui, and Independent Director Jaime Che in banking, insurance and real estate; Director Chien-Wan Chuang and Independent Director Tseng-Ping Chao, Independent Director Ping-Sum Lui, and Independent Director Jaime Che in business and supply; Independent Director Tseng-Ping Chao, Independent Director Ping-Sum Lui, and Independent Director Jaime Che in information and technology; Director Dennis Wai-Tak Yau and Independent Director Jung-Tsung Yang in legal; Director Jen-Hao Kuo, Director Dennis Wai-Tak Yau, and Independent Director Ping-Sum Lui in accounting; Director Jen-Hao Kuo, Director Dennis Wai-Tak Yau, Director Chien-Wan Chuang, Independent Director Tseng-Ping Chao, Independent Director Jung-Tsung Yang, Independent Director Ping-Sum Lui, and Independent Director Jaime Che in risk management.

(2) The average term of office of the Company's incumbent directors is 5.8 years. Among them, Independent Director Ping-Sum Lui has been in office for 2.9 years (newly elected in the by-election on June 24, 2022); Independent Director Jung-Tsung Yang 4.9 years; Director Dennis Wai-Tak Yau 6.8 years; Director Chien-Wan Chuang 7.3 years; Independent Director Tseng-Ping Chao 7.9 years; Independent Director Jaime Che 1.9 years (newly appointed on June 16, 2023) and Director Jen-Hao Kuo 8.9 years. None of the independent directors has been in office for more than three terms.The Board of Directors has 7 seats, 3 of which include 4 independent directors, with the proportion of independent directors 57%, and more than half of the Board of Directors' seats are held by independent directors; the gender of all directors is male; there are 3 foreign directors and 4 local directors, with 1 foreign director (Australian) and 2 independent directors (1 Hong Kong and 1 Australian), with foreign directors accounting for 43% of the composition of the structure, which is less than half; 3 directors have employee status, which accounts for 43% of the composition of the structure, which is less than half; The age distribution of the board members is 3 directors aged 41 to 50,1 directors aged 51 to 60, and 3 directors aged 61 to 70. In addition to the above, the Company also places emphasis on gender equality in the composition of the Board of Directors. Because of the special nature of the industry, female directors are actively seeking and intend to add at least one female director at the most recent shareholders' meeting and will continue to strive to have the Board of Directors comprise at least 3 female directors in the future.

(3) The aspects, complementarity and implementation of the diversity of the Board of Directors have already been carried through and are superior to the standards set forth in Article 20 of our Corporate Governance Principles. In the future, we will continue to revise the

diversity policy, including but not limited to the basic requirements and values, professional knowledge and skills, and other standards in accordance with the operation of the Board of Directors, business model and development needs, so as to ensure that the members of the Board of Directors are generally equipped with the necessary knowledge, skills and education to perform their duties.

(II) Independence of the Board of Directors: The 22nd Board of Directors of the Company consists of 7 directors, with a composition of 3 regular directors and 4 independent directors, with 57% of the composition being independent directors. More than half of the board seats shall be held by independent directors. No independent Director has been an employee, director, or supervisor of the Company or its affiliates within two years prior to his or her election and during his or her term of office.None of the individual's spouse, relative within second degree of kinship, or lineal relative within third degree of kinship holds is an employee, director, supervisor, or managerial officer of the Company or its affiliates, and I am not related to any other director as a spouse or relative within two degrees, and the individual is not related to any other director as a spouse or relative within second degree of kinship or has not been elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.

Note 1： Professional qualifications and experience: Specify the professional qualifications and experience of each director and supervisor, and in the case of audit committee members with accounting or financial expertise, specify their accounting or financial background and work experience, and state whether they have any of the circumstances under the provisions of Article 30 of the Company Act.

Note 2： The status of the independence of independent directors should be stated, including, but not limited to, whether they, their spouse or relatives within second degree of kinship are directors, supervisors or employees of the Company or its affiliates; the number and proportion of shares held by them, their spouses or relatives within second degree of kinship (or in the name of others); and whether they are directors of companies with specific relationship with the Company (refer to Article 3, Paragraph 1, Subparagraph 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies). The amount of remuneration they received from the Company or its affiliates for business, legal, financial and accounting services in the last 2 years.

Note 3： Please refer to Six. Special Matters of this annual report for i. (ii). 3. Directors, supervisors and general managers of affiliates

(V) Information on general managers, deputy general managers, senior managers, and officers of various departments and branches March 31, 2025

Title (Note 1)	Nationality	Name	Gender	Date Elected (Assuming Office)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Major educations and experiences (Note 2)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with a second degree of kinship			Remarks (Note 3)
					Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
General Manager	Republic of China	Jen-Hao Kuo	Male	June 24, 2016	1,057,006	0.13	0	0	23,791,000	2.88	Tian Ran Group/Director, Chief finance officer Private Equity Management Group Vice president、 PWC Transaction Services、 Merrill Lynch Research Assistant、 Pace University NY MBA Finance & Accounting US CPA	Taiwan Environmental Scientific Co., Ltd. /Chairman and CEO Yee Xin Investment Co., Ltd. /Chairman, Chairman, Yonghenhui Investment Co., Ltd. Fuliyang Technology Co., Ltd./ Chairman, Heang Fu International Co., Ltd/ Chairman, Wiselink CO., LTD/Director Yung Fu CO., LTD/Director Pro Brand Technology (TW) INC. /Director Grand Citi Ltd. /Director, And (Note 5)	-	-	-	(Note 4)

Title (Note 1)	Nationality	Name	Gender	Date Elected (Assuming Office)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Major educations and experiences (Note 2)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with a second degree of kinship			Remarks (Note 3)
					Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Chief financial officer and chief accounting officer	Australia	Dennis Wai-Tak Yau	Male	July 2, 2018	0	0	0	0	0	0	Allied Group Limited, Head of Internal Audit、 Rising Peak Group Company Limited, Chief Financial Officer, and Company Secretary. Canton Property Investments Limited, Chief Financial Officer, and Company Secretary. Bachelor of Economics, with Accounting major, Macquarie University, Sydney, Australia. Member of the Australian Society of Certified Practising Accountants.	Grand Ocean Retail Group Limited /Chief Financial Officer And (Note 5)	-	-	-	

Title (Note 1)	Nationality	Name	Gender	Date Elected (Assuming Office)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Major educations and experiences (Note 2)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with a second degree of kinship			Remarks (Note 3)
					Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Marine Transportation Business operating officer	Republic of China	Chien-Wan Chuang	Male	August 12, 2014	21,800	0.003	0	0	0	0	Deputy general manager /FIRST STEAMSHIP COMPANY LIMITED Keelung Maritime School	(Note 5)	-	-	-	
General Administration Division deputy general manager	Republic of China	Ruei-Da Lin	Male	June 15, 2018	0	0	0	0	0	0	Ubiquiti Networks Inc./ Senior Procurement Manager Foxlink Image Technology Co., Ltd. /Procurement Manager Department of Japanese Language, Fu Jen University / Bachelor	Jia Wang Asset Development Co., Ltd./ Supervisor Taiwan Environmental Scientific Co., Ltd./ General manager And (Note 5)	-	-	-	
Accounting department senior manager (Accounting officer)	Republic of China	Tzu-Yuan Pei	Female	October 1, 2014	0	0	0	0	0	0	FIRST STEAMSHIP COMPANY LIMITED/ Accounting department manager Business Administration, National Chengchi University /master	(Note 5)	-	-	-	

Title (Note 1)	Nationality	Name	Gender	Date Elected (Assuming Office)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Major educations and experiences (Note 2)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with a second degree of kinship			Remarks (Note 3)
					Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Senior manager, board secretariat	Republic of China	Yen-Ling Lin	Female	February 2, 2018	0	0	0	0	0	0	FIRST STEAMSHIP COMPANY LIMITED/ Accounting department manager Golden Biotechnology Corporation/Finance and accounting manager EVERVISION ELECTRONICS CO., LTD./ Finance department supervisor KYE Systems Corp./ Senior supervising administrator Institute of Law, National Chengchi University (in progress) Master of Laws, National Chengchi University Information and Financial Management, National Taipei University of Technology/master	(Note 5)	-	-	-	

Title (Note 1)	Nationality	Name	Gender	Date Elected (Assuming Office)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Major educations and experiences (Note 2)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with a second degree of kinship			Remarks (Note 3)
					Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Investment division senior manager	Republic of China	Hui-Chi Lin	Male	March 1, 2021	0	0	0	0	0	0	FIRST STEAMSHIP COMPANY LIMITED/ investment division manager VOCAL MIDDLE COMMUNICATIONS CONSULTANTS INC./ co-founder IJOING, INC./ co-founder HOSS VENTURE INC./ analyst Ship And Ocean Industries R&D Center/ engineer Department of Engineering Science and Ocean Engineering of the National Taiwan University/ bachelor Department of Engineering Science and Ocean Engineering of the National Taiwan University/ master Chartered Financial Analyst(CFA)/License No.152046	Pro Brand Technology (TW) INC./Director and Chief Financial Officer And (Note 5)	-	-	-	

Title (Note 1)	Nationality	Name	Gender	Date Elected (Assuming Office)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Major educations and experiences (Note 2)	Concurrent positions in other companies now	Managerial officers with spouses or relatives with a second degree of kinship			Remarks (Note 3)
					Number of shares	Shareholding %	Number of shares	Shareholding %	Number of shares	Shareholding %			Title	Name	Relation	
Treasury department senior manager	Republic of China	Ko-Hua Chu	Male	April 1, 2021	0	0	0	0	0	0	FIRST STEAMSHIP COMPANY LIMITED/treasury department manager Department of Economics, Tianjin Nankai University/master	Shanghai Zhuke Technology Co., Ltd./Legal Representative and Executive Director Pro Brand Technology (TW) INC./Director And Note (5)	-	-	-	
Corporate governance officer senior manager	Republic of China	Hsin-Kai Kung	Male	May 16, 2022	0	0	0	0	0	0	Xinkai Joint Accounting Firm, CPA and president K&B CPAs Firm, partner CPA and president Department of Accounting, TAMKANG UNIVERSITY Tiffin University MBA	Xinkai Joint Accounting Firm, CPA and president CASTLES TECHNOLOGY CO., LTD./Independent director/Audit Committee member/Remuneration Committee member SIM Card Consulting Limited/ Chairman Taiwan Environmental Scientific Co., Ltd. / chief financial officer And spokesperson	-	-	-	

Note 1： Information on general manager, deputy general manager, senior manager, department and branch heads, and anyone whose position is equivalent to that of the general manager, deputy general manager or senior manager, regardless of title, should also be disclosed.

Note 2： For experience related to the current position, if ever worked for the CPA firm or its affiliated companies during the period mentioned in the preceding paragraph, the title of the position and the duties performed should be specified.

Note 3： If the general managers or equivalents (the top managerial officers) and chairperson of the Company are the same person, each other's spouse or relative within the first degree of kinship, the reason, rationality, necessity, corresponding measures (such as increasing the number of independent directors and having a majority of directors who are not concurrently serving as

employees or managerial officers, etc.) and related information should be disclosed: No such situation.

Note 4： Since June 24, 2016, Mr. Jen-Hao Kuo took over as general manager and has dedicated to the reorganization and transformation of the Company; then took over concurrently as chairperson and general manager on December 19, 2017, and delivered a good result by the end of 2017, turning the Company's continuous losses to profits. In order to continue to strengthen and implement group integration and resource consolidation, it is still necessary at this stage to have a high degree of mastery over the Company's operations, business strategies, risk controls as well as over the overall industry dynamics so that the Company can take operational countermeasures and make target adjustments at critical moments. The Company expects to add an independent director if the chairperson and general manager are still the same person when the board directors are fully re-elected in June 16, 2023, in order to strengthen the independence of the Board of Directors and comply with regulations. There are 7 directors, only 3 of which have the status of employees or managers, and at the same time meet the requirement that a majority of the directors should not also be employees or managers, while the remaining 4 are all independent directors with more than one-half of the number of seats on the Board of Directors, so the Board of Directors still maintains its objectivity in decision-making.

Note 5： Please refer to Six. Special Matters of this annual report for i. (ii). 3. Directors, supervisors and general managers of affiliates

(VI) Remuneration for directors (including independent directors), general managers and deputy general managers for the last year

1. Remuneration for directors (including independent directors) Unit: NT$ Thousand.

Title	Name	Remuneration for directors								A, B, C and D as a % of the net profits after-tax (Note 10)		Remuneration for employees with concurrent positions in the Compa and other companies								A, B, C, D, E, F and G as a % of the net profits after-tax (Note 10)		Remuneration from reinvested enterprises other than subsidiaries or the parent company (Note 11)
		Base remuneration (A) (Note 2)		Severance and pension (B)		Remuneration for directors (C) (Note 3)		Business execution expenses (D) (Note 4)				Remuneration, bonus, special allowance (E) (Note 5)		Severance and pension (F)		Remuneration for employees (G) (Note 6)						
																The Company		All companies in the financial statements (Note 7)				
		The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies in the financial statements	
Chairperson	Jen-Hao Kuo	1440	2167							-0.50	-0.75	3763	12306							-1.80	-5.01	
Director	Chien-Wan Chuang											3423	5472							-1.19	-1.89	
Director	Dennis Wai-Tak Yau	480	480							-0.17	-0.17	2946	12143							-1.19	-4.37	
Independent director	Tseng-ping Chao	600	600							-0.21	-0.21									-0.21	-0.21	
Independent director	Jung-Tsung Yang	600	600							-0.21	-0.21									-0.21	-0.21	
Independent director	Ping-Sum Lui	600	600							-0.21	-0.21									-0.21	-0.21	
Independent director	Jaime Che	600	600							-0.21	-0.21									-0.21	-0.21	

1. Please describe the policy, system, criteria and structure for the remuneration for independent directors, and the correlation to the amount of remuneration in terms of their responsibilities, risks, time spent and other factors:
The Board of Directors shall determine the fixed monthly remuneration in accordance with the Company's Article of Incorporation, concerning the usual pay level in the industry The remuneration for independent directors reflects their authority and responsibility and should be reasonable in light of the Company's industry characteristics and scale of operations.
2. Except as disclosed above, the remuneration for the Company directors for providing services to all companies in the financial statements (such as serving as a non-employee consultant, etc.) in the last year: None.

Note 1： He names of directors should be listed separately (the names of juristic-person shareholders and their representatives should be listed separately) The regular directors and independent directors should be listed separately, and the amount of each payment should be disclosed in summary format.

Note 2： This refers to the remuneration for directors in the last year (including salaries, duty allowance, severance, various bonuses and incentive payments, etc.)

Note 3： This is the amount in remuneration for directors approved by the Board of Directors in the last year.

Note 4： This refers to directors' business execution expenses in the last year (including transportation fee, special allowance, various stipends, dormitory, company car, etc.) The nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed when housing, automobiles and other means of transportation or personal expenditures are provided. In addition, if a driver is provided, please Note the relevant compensation paid by the Company to the driver, but do not include it in the remuneration for directors.

Note 5： This refers to the salary, duty allowance, severance, various bonuses, incentive payments, transportation fee, special allowance, various stipends, dormitory, company car and other provisions, etc., received by a director who is concurrently serving as an employee (including part-time general manager, deputy general manager, other officers and employees) in the last year. The nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed when housing, automobiles and other means of transportation or personal expenditures are provided. In addition, if a driver is provided, please Note the relevant compensation paid by the Company to the driver, but do not include it in the remuneration for directors. Salary expense recognized in accordance with IFRS 2, "Share-based Payment," including employee stock options, employee restricted stock and employee subscription for shares upon cash capital increase, should also be included in the remuneration.

Note 6： The amount of employee remuneration (including stock and cash) received by a director who is concurrently an employee (including part-time general manager, deputy general manager, other officers and employees) in the last year should be disclosed as approved by the Board of Directors in the last year, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year, and should also be listed in Table 1-3.

Note 7： The total amount of remuneration paid to the Company directors by all companies in the consolidated statements (including the Company) should be disclosed.The total amount of remuneration paid to the Company directors by all companies in the consolidated statements (including the Company) should be disclosed.

Note 8： The total amount of remuneration paid by the Company to each director is disclosed with their names in the remuneration ranges in which their total amount of remuneration falls.

Note 9： The total amount of remuneration paid to each director of the Company by all companies in the consolidated statements (including the Company) should be disclosed with their names in the remuneration ranges in which their total amount of remuneration falls.

Note 10： The net profits after-tax refer to the net profits after-tax of the last year for standalone or unconsolidated financial statements.

Note 11： a. This column is for the amount of remuneration received by the Company directors from reinvested enterprises other than subsidiaries or the parent company (if none, please enter "none")

b. If a director of the Company receives remuneration from reinvested enterprises other than subsidiaries or the parent company, the remuneration received by the director of the Company from reinvested enterprises other than subsidiaries or from the parent company should be included in column I of the table of remuneration ranges. The name of the column should be changed to "parent company and all reinvested enterprises."

c. Remuneration refers to the compensation or payment (including remuneration to employees, directors and supervisors) and business execution expenses of the Company directors in their capacity as directors, supervisors or officers of a reinvested enterprise other than a subsidiary or the parent company.

Note 12： This is the amount in remuneration for directors approved by the Board of Directors in the last year.

Note 13： The amount of employee remuneration (including stock and cash) received by a director who is concurrently an employee (including part-time general manager, deputy general manager, other officers and employees) in the last year should be disclosed as approved by the Board of Directors in the last year, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year.

＊The remuneration disclosed in this table is different in concept from the income under the Income Tax Act. Therefore, the purpose of this table is for information disclosure and not for tax return purposes.

2. Remuneration for supervisors: None. (The Company established an audit committee to replace supervisors in accordance with the resolution of the shareholder meeting on June 21, 2017).

3. Remuneration for the general manager and deputy general manager

Unit: NT$ Thousand.

Title	Name	Salary (A) (Note 2)		Severance and pension (B)		Bonus and special allowance (C) (Note 3)		Amount of employee remuneration (D) (Note 4) (Note 10)				A, B, C and D as a % of the net profits after-tax (%) (Note 8)		Remuneration from reinvested enterprises other than subsidiaries or the parent company (Note 9)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company	All companies in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
General Manager	Jen-Hao Kuo	2647	9584			1116	2722					-1.30	-4.26	
Chief financial officer and Chief accounting officer	Dennis Wai-Tak Yau	1927	9197			1019	2946					-1.02	-4.21	
Marine Transportation Business operating officer	Chien-Wan Chuang	2407	3942			1016	1530					-1.19	-1.80	
General Administration Division deputy general manager	Ruei-Da Lin	1807	3927			716	1423					-0.87	-1.85	

* Regardless of title, any position equivalent to that of a general manager or deputy general manager (e.g., president, chief executive officer, senior manager...etc.) shall be disclosed.

Note 1： The names of the general manager and deputy general manager should be listed separately, and the amount of each payment shall be disclosed in a summary manner.

Note 2： This is for the salary, duty allowance and severance of the general manager and deputy general manager in the last year.

Note 3： This is for various bonuses, incentive payments, transportation fees, special expenses, various stipends, dormitories, company cars and other provisions for the general manager and deputy general manager in the last year. The nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed when housing, automobiles and other means of transportation or personal expenditures are provided. In addition, if a driver is provided, please Note the relevant compensation paid by the Company to the driver, but do not include it in the remuneration for directors. Salary expense recognized in accordance with IFRS 2, "Share-based Payment," including employee stock options, employee restricted stock and employee subscription for shares upon cash capital increase, should also be included in the remuneration.

Note 4： The amount of employee remuneration (including stock and cash) received by the general manager and deputy general manager in the last year should be disclosed as approved by the Board of Directors, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year, and should also be listed in Table 1-3.

Note 5： The total amount of remuneration paid to the general manager and deputy general manager of the Company by all companies in the consolidated statements (including the Company) should be disclosed.

Note 6： The total amount of remuneration paid by the Company to each general manager and deputy general manager is disclosed with their names in the remuneration ranges in which their total amount of remuneration falls.

Note 7： The total amount of remuneration paid to each general manager and deputy general manager of the Company by all companies in the consolidated statements (including the Company) should be disclosed with their names in the remuneration ranges in which their total amount of remuneration falls.

Note 8： The net profits after-tax refer to the net profits after-tax of the last year for standalone or unconsolidated financial statements.

Note 9：

a. This column is for the amount of remuneration received by the general manager and deputy general manager of the Company from reinvested enterprises other than subsidiaries or the parent company (if none, please enter "none")

b. If a general manager or deputy general manager of the Company receives remuneration from reinvested enterprises other than subsidiaries or the parent company, the remuneration received by the general manager or deputy general manager of the Company from reinvested enterprises other than subsidiaries or from the parent company should be included in column I of the table of remuneration ranges. The name of the column should be changed to "parent company and all reinvested enterprises."

c. Remuneration refers to the compensation or payment (including remuneration to employees, directors and supervisors) and business execution expenses of the general manager or deputy general manager of the Company in their capacity as directors, supervisors or officers of a reinvested enterprise other than a subsidiary of the parent company.

Note 10：The amount of employee remuneration (including stock and cash) received by the general manager and deputy general manager in the last year should be

disclosed as approved by the Board of Directors, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year.

*The remuneration disclosed in this table is different in concept from the income under the Income Tax Act. Therefore, the purpose of this table is for information disclosure and not for tax return purposes.

4. Remuneration of the top five paid executives of listed and over-the-counter companies (individually disclose name and method of remuneration)

Unit: NT$ Thousand.

Title	Name	Salary (A) (Note 2)		Severance and pension (B)		Bonus and special allowance (C) (Note 3)		Amount of employee remuneration (D) (Note 4)				A、B、C And D as a % of the net profits after-tax (%) (Note 6)		Remuneration from reinvested enterprises other than subsidiaries or the parent company (Note 7)
								The Company		All companies in the financial statements (Note 5)				
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies in the financial statements	
General Manager	Jen-Hao Kuo	2647	9584			1116	2722					-1.30	-4.26	
Chief financial officer and Chief accounting officer	Dennis Wai-Tak Yau	1927	9197			1019	2946					-1.02	-4.21	
Marine Transportation Business operating officer	Chien-Wan Chuang	2407	3942			1016	1530					-1.19	-1.89	
General Administration Division deputy general manager	Ruei-Da Lin	1807	3927			716	1423					-0.87	-1.85	
Treasury department senior manage	Ko-Hua Chu	1567	2633			277	277					-0.64	-1.01	

Note 1： The “Top Five Paid Executives" refers to the Company's managers. The criteria for the recognition of managers are based on the scope of application of "managers" as stipulated in the letter and order of the former Securities and Futures Commission of the Ministry of Finance (MOF) dated March 27, 2003, Taishin Financial Holding Corporation (TFHC) Letter No. 0920001301. The "Top Five Paid Executives" calculation is based on the total amount of salaries, severance and pension, bonus and special allowance, etc., and amount of employee remuneration received by the Company's managers from all companies included in the consolidated financial statements (i.e., the total of the four items, A+B+C+D), which are ranked and recognized as the top five paid. If the director concurrently serves as the former manager, this form and the above table should be filled out (1-1).

Note 2： This is for the salary, duty allowance and severance of the top five paid executives in the last year.

Note 3： This is for various bonuses, incentive payments, transportation fees, special expenses, various stipends, dormitories, company cars and other provisions for the top five paid executives in the last year. The nature and cost of the assets provided, the actual or fair market value of rent, fuel and other payments should be disclosed when housing, automobiles and other means of transportation or personal expenditures are provided. In addition, if a driver is provided, please Note the relevant compensation paid by the Company to the driver, but do not include it in the remuneration for directors. Salary expense recognized in accordance with IFRS 2, “Share-based Payment,” including employee stock options, employee restricted stock and employee subscription for shares upon cash capital increase, should also be included in the remuneration.

Note 4： The amount of employee remuneration (including stock and cash) received by the top five paid executives in the last year should be disclosed as approved by the Board of Directors, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year, and should also be listed in Table 1-3.

Note 5： The total amount of remuneration paid to the top five paid executives of the Company by all companies in the consolidated statements (including the Company) should be disclosed.

Note 6： The net profits after-tax refer to the net profits after-tax of the last year for standalone or unconsolidated financial statements.

Note 7：

a. This column is for the amount of remuneration received by the top five paid executives of Company from reinvested enterprises other than subsidiaries or the parent company (if none, please enter “none”)

b. Remuneration refers to the compensation or payment (including remuneration to employees, directors and supervisors) and business execution expenses of the top five paid executives of Company in their capacity as directors, supervisors or officers of a reinvested enterprise other than a subsidiary or the parent company.

*The remuneration disclosed in this table is different in concept from the income under the Income Tax Act. Therefore, the purpose of this table is for information disclosure and not for tax return purposes.

(VII) The name of the managerial officer in charge of the distribution of employee remuneration and the status of the distribution

December 31, 2024 Unit: NT$ Thousand.

	Title	Name	Stock amount	Cash amount	Total	Total amount as a % of the net profits after-tax (%)
Managerial officer	General Manager	Jen-Hao Kuo	0	0	0	0
	Chief financial officer and chief accounting officer	Dennis Wai-Tak Yau				
	Marine Transportation Business operating officer	Chien-Wan Chuang				
	General Administration Division deputy general manager	Ruei-Da Lin				
	Accounting officer (senior manager)	Tzu-Yuan Pei				
	Senior manager, board secretariat	Yen-Ling Lin				
	Investment division senior manager	Hui-Chi Lin				
	Treasury department senior manager	Ko-Hua Chu				
	Corporate governance senior manager (senior manager)	Hsin-Kai Kung				

The amount of employee remuneration (including stock and cash) received by managerial officers in the last year should be disclosed as approved by the Board of Directors. If the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year. After tax, the net profits refer to the net profits after-tax of the last year for standalone or unconsolidated financial statements.

(VIII) Compare and describe the total remuneration paid to directors, supervisors, general managers, and deputy general managers and COO in the last 2 years by the Company and all companies in the standalone financial statements as a % of the net profits after-tax, and explain the policies, criteria, combination, the procedures for determining remuneration and the correlation to operating performances and future risks.

Title	The Company		All companies in the financial statements	
	2023	2024	2023	2024
Director, general manager, chief operating officer and deputy general manager	-1.04%	-5.88%	-2.77%	-13.96%

(1) The remuneration for chairperson and directors is authorized to the Board of Directors to determine based on the extent of their participation in the Company's operations and the value of their contributions, and with reference to the usual standard in the industry in accordance with the Company’s Article of Incorporation.

(2) The remuneration for directors, salaries and bonuses for the general manager, chief operating officer and deputy general manager, and remuneration for employees need to be approved by the Board of Directors.

(3) The remuneration to directors, general manager, chief operating officer, and deputy general manager of the Company is reviewed by the Remuneration Committee based on job level and operating performance and then submitted to the Board of Directors for approval without future risk. III.

II. The Company's implementation of corporate governance

(I) The operations of the Board of Directors

The Board of Directors met 15 times (The 22nd) in the last year, and the attendances of directors are as follows:

Title	Name	Number of times of attendance in person	Number of times of attendance by proxy	Attendance (presence) rate (%)	Remarks
Chairperson	Yonghenghui Investment Co., Ltd. (Representative: Jen-Hao Kuo)	13	2	87	Re-elected Re-election date: June 16, 2023
Director	Henghua Investment Co., Ltd. (Representative: Chien-Wan Chuang)	15	0	100	Re-elected Re-election date: June 16, 2023
Director	Xundong Investment Co., Ltd. (Representative: Dennis Wai-Tak Yau)	15	0	100	Re-elected Re-election date: June 16, 2023
Independent director	Tseng-ping Chao	11	4	73	Re-elected Re-election date: June 16, 2023
Independent director	Jung-Tsung Yang	13	2	87	Re-elected Re-election date: June 16, 2023
Independent director	Ping-Sum Lui	15	0	100	Re-elected Re-election date: June 16, 2023
Independent director	Jaime Che	15	0	100	Newly appointed Re-election date: June 16, 2023

※The Company expects to add an independent director if the chairperson and general manager are still the same person when the board directors are fully re-elected in June 16, 2023, in order to strengthen the independence of the Board of Directors and comply with regulations. There are 7 directors, only 3 of which have the status of employees or managers, and at the same time meet the requirement that a majority of the directors should not also be employees or managers, while the remaining 4 are all independent directors with more than one-half of the number of seats on the Board of Directors, so the Board of Directors still maintains its objectivity in decision-making.

Other matters to be recorded:

I. If the operation of the Board of Directors is under any of the following circumstances, the date, term, proposal content, all independent directors' opinions and the Company's handling of their opinions should be described:

1. Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has an Audit Committee, so the provisions of Article 14-3 are not applicable.
2. In addition to the previous matters, other board meeting resolutions that have been opposed or reserved by independent directors with records or written statements: The Company had no such cases in 2024.

II. In the implementation of a director's recusal for being an interested party in a proposal, the director's name, the proposal content, the recusal reasons and his or her participation in voting should be stated.

1. Date of board meeting: January 17, 2024

Proposal: The Company proposes to participate in the cash capital increase approved at Da Yu Financial Holdings Limited's extraordinary shareholders' meeting held on December 28, 2023

The names of directors: Mr. Jen-Hao Kuo, Mr. Ping-Sum Lui.

Reason for recusal: Mr. Jen-Hao Kuo, who represents a non-wholly owned subsidiary, has a personal interest in the matter; Independent Director Ping-Sum Lui currently holds shares in the relevant listed company through a fund managed by ASM, which involves a personal interest.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

Proposal: The subsidiary Xinshengyang Development Co., Ltd. proposes to obtain a short-term loan of NT$90 million from Chailease Specialty Finance Co., Ltd., with the Company serving as the joint guarantor.

The names of directors: Mr. Jen-Hao Kuo, Mr. Chien-Wan Chuang

Reason for recusal: The Company was not a 100% subsidiary and therefore was a personal interest.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

2. Date of board meeting: February 2, 2024

Proposal: The Company's plan to pay the year-end bonus to the managerial officers for 2023.

The names of directors: Mr. Jen-Hao Kuo, Mr. Dennis Wai-Tak Yau, Mr. Chien-Wan Chuang

Reason for recusal: Personal interest involved.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

3. Date of board meeting: March 15, 2024

Proposal: Cancellation of the Endorsement and Guarantee Limit for the Company's Subsidiary Grand Ocean Retail Group Ltd. (hereinafter referred to as G.O.R.G.).

The names of directors: Mr. Jen-Hao Kuo, Mr. Dennis Wai-Tak Yau.

Reason for recusal: Director Mr. Jen-Hao Kuo is the Chairman of G.O.R.G.L., director Mr. Dennis Wai-Tak Yau is the Chief Financial Officer of G.O.R.G.L..The Company was not a 100% subsidiary and therefore was a personal interest.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors

present passed it without objection.

Proposal: The Company plans to lend funds to Xinshengyang Development Co., Ltd. (hereinafter referred to as "Xinshengyang").

The names of directors: Mr. Jen-Hao Kuo, Mr. Chien-Wan Chuang

Reason for recusal: The Company was not a 100% subsidiary and therefore was a personal interest.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

4. Date of board meeting: March 28, 2024

Proposal: Removal of restrictions on directors' competition for business.

The names of director: Mr. Dennis Wai-Tak Yau

Reason for recusal: Director Dennis Wai-Tak Yau concurrently serves as the Chief Financial Officer of Grand Ocean Retail Group Limited, incorporated in the Cayman Islands, which involves his personal interests

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

5. Date of board meeting: April 22, 2024

Proposal: Removal of restrictions on directors' competition for business.

Name of director: Mr. Jen-Hao Kuo

Reason for recusal: Chairman Jen-Hao Kuo concurrently serves as a director of Wiselink Co., Ltd., which involves his personal interests.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

Proposal: Proposal of removing the prohibition on the Company's managerial officers from competing for business.

Name of director: Mr. Jen-Hao Kuo

Reason for recusal: Chairman Jen-Hao Kuo concurrently serves as a director of Wiselink Co., Ltd., which involves his personal interests.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

6. Date of board meeting: May 13, 2024

Proposal: Assessment of the Company's receivables.

Name of director: Mr. Jung-Tsung Yang

Reason for recusal: The independent director, Mr. Jung-Tsung Yang was an interested party because he was a legal advisor to Honor Construction.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

7. Date of board meeting: June 18, 2024

Proposal: Adjustment to the joint development contract with co-landowner Honor Construction International Co., Ltd., developer Xinshengyang Development Co., Ltd., and developer Honor Construction Building Development Co., Ltd. to establish a supplementary agreement for development of the Company's property.

Name of director: Mr. Jung-Tsung Yang

Reason for recusal: Personal interest involved.

Participation in voting: Except for the directors who recused themselves from the meeting in

accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

8. Date of board meeting: June 28, 2024

Proposal: Proposed loan from subsidiary First Steamship S.A. (hereinafter referred to as "F.S.S.A.") to Grand Ocean Retail Group Ltd. (hereinafter referred to as "G.O.R.G.").

The names of director: Mr. Dennis Wai-Tak Yau

Reason for recusal: Mr. Dennis Wai-Tak Yau, a director of the subsidiary G.O.R.G. (which is not a wholly-owned subsidiary), serves as the Chief Financial Officer of G.O.R.G., therefore involving a personal interest relationship.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

Proposal: The Company's subsidiary, Grand Ocean Retail Group Ltd. (hereinafter referred to as G.O.R.G.), applying for a US$8 million short-term loan from EnTie Commercial Bank, with the Company acting as joint guarantor.

The names of director: Mr. Dennis Wai-Tak Yau

Reason for recusal: Mr. Dennis Wai-Tak Yau, a director of the subsidiary G.O.R.G. (which is not a wholly-owned subsidiary), serves as the Chief Financial Officer of G.O.R.G., therefore involving a personal interest relationship.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

9. Date of board meeting: August 12, 2024

Proposal: The Company plans to lend funds to Xinshengyang Development Co., Ltd. (hereinafter referred to as "Xinshengyang").

The names of directors: Mr. Jen-Hao Kuo, Mr. Chien-Wan Chuang

Mr. Jen-Hao Kuo, Mr. Chien-Wan Chuang

Reason for recusal: The Company was not a 100% subsidiary and therefore was a personal interest.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

10. Date of board meeting: September 9, 2024

Proposal: The Company plans to acquire domestic unsecured ordinary corporate bonds issued by RO Brand Technology (TW) Inc. in an amount not exceeding US$2 million.

The names of directors: Mr. Jen-Hao Kuo, Mr. Ping-Sum Lui.

Reason for recusal: Chairman Mr. Jen-Hao Kuo was the non-executive director and Chairman of St. Maarten International Holdings Co., Ltd., a subsidiary not wholly owned and involved personal interest; Independent Director Mr. Ping-Sum Lui was an interested party due to his current position at the fund managed by ASM and his holding of the relevant listed company’s shares.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

11. Date of board meeting: October 16, 2024

Proposal: Adjusting the interest rate for inter-subsidiary loans.

The names of directors: Mr. Jen-Hao Kuo, Mr. Dennis Wai-Tak Yau.
Reason for recusal: As G.O.R.G. is not a wholly-owned subsidiary of the Company, and Mr. Jen-Hao Kuo serves as the Chairman of G.O.R.G. while Mr. Dennis Wai-Tak Yau serves as the Chief Financial Officer of G.O.R.G., this matter involves personal interest relationships
Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.
Proposal: The Company plans to lend funds to Xinshengyang Development Co., Ltd. (hereinafter referred to as "Xinshengyang").
The names of directors: Mr. Jen-Hao Kuo, Mr. Chien-Wan Chuang
Reason for recusal: The Company was not a 100% subsidiary and therefore was a personal interest.
Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

12. Date of board meeting: November 1, 2024
Proposal: The subsidiary Xinshengyang Development Co., Ltd. intends to arrange a long-term loan of NT$426.5 million with Taishin Bank, with the Company serving as joint guarantor and providing collateral.
Name of director: Mr. Chien-Wan Chuang
Reason for recusal: The Company was not a 100% subsidiary and therefore was a personal interest.
Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

13. Date of board meeting: December 13, 2024
Proposal: The Company's endorsement and guarantee for its subsidiary Xinshengyang Development Co., Ltd. regarding a medium-term secured loan facility of NT$250.9 million from Taichung Commercial Bank.
The names of directors: Mr. Jen-Hao Kuo, Mr. Chien-Wan Chuang
Reason for recusal: The Company was not a 100% subsidiary and therefore was a personal interest.
Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.
Proposal: The Company plans to lend funds to Xinshengyang Development Co., Ltd. (hereinafter referred to as "Xinshengyang").
The names of directors: Mr. Jen-Hao Kuo, Mr. Chien-Wan Chuang
Reason for recusal: The Company was not a 100% subsidiary and therefore was a personal interest.
Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.
Proposal: The monthly remuneration to directors, independent directors and audit committee

members of the Company.

The names of directors: Mr. Jen-Hao Kuo, Mr. Dennis Wai-Tak Yau, Mr. Chien-Wan Chuang, Mr. Jung-Tsung Yang, Mr. Ping-Sum Lui,
Jaime Che.

Reason for recusal: Personal interest involved.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

Proposal: The periodic review of the remuneration of the Company's managerial officers.

The names of directors: Mr. Jen-Hao Kuo, Mr. Dennis Wai-Tak Yau, Mr. Chien-Wan Chuang

Reason for recusal: Personal interest involved.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

Proposal: Removal of restrictions on directors' competition for business.

Name of director: Mr. Jen-Hao Kuo

Reason for recusal: Mr. Jen-Hao Kuo serves as a representative director of Yongheng Hui Investment Co., Ltd. while also serving as a director of RO Brand Technology (Tw) Inc., thus involving a personal interest relationship

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

Proposal: Proposal of removing the prohibition on the Company's managerial officers from competing for business.

Name of director: Mr. Jen-Hao Kuo

Reason for recusal: Mr. Jen-Hao Kuo, a managerial officer of the Company, concurrently serves as a director of RO Brand Technology (TW) Inc. while holding his position as a managerial officer of the Company, which constitutes a personal interest relationship.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

III. TWSE/GTSM listed companies should disclose information on the frequency and period, scope, method and content of the self (or peer) evaluation of the Board of Directors.

Evaluation of the Board of Directors

Evaluation frequency	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once a year	From November 1, 2023 to October 31, 2024 (Note 1)	A. Board of Directors B. Individual board member C. Audit Committee D. Remuneration Committee E. Nomination Committee	Internal self-evaluation of the board Self-evaluation of directors Self-evaluation of members of Audit Committee Self-evaluation of members of Remuneration Committee Self-evaluation of members of Nomination Committee	A. Board of Directors 1. The extent of participation in the Company's operations. 2. Improvement in the quality of the board's decision-making. 3. Composition and structure of the board. 4. Election and continuing education of directors. 5. Internal control B. Individual board member 1. Mastery of the Company's objectives and tasks. 2. Perception of the responsibilities of directors 3. The extent of participation in the Company's operations. 4. Internal relationship management and communication. 5. Professionalism and continuing education of directors. 6. Internal control C. Functional committee 1. The extent of participation in the Company's operations. 2. Perception of the responsibilities of the functional committee 3. Improvement in the quality of the committee's decision-making. 4. Composition and appointment of the committee members 5. Internal control

Note 1：The Company expects the next performance evaluation period for the Board of Directors, individual board members, Audit Committee, Remuneration

Committee, and Nomination Committee to be:

From November 1, 2024 to October 31, 2025

IV. The objectives of strengthening the functions of the Board of Directors in the current and the last year (such as establishing an audit committee, improving information transparency, etc.) and evaluation of the implementation:

(1) In order to implement corporate governance and enhance the efficacy of the Board of Directors and functional committees, and establish performance targets to strengthen the operational efficiency of the Board of Directors and functional committees, the Company established the Board of Directors' performance evaluation measures on November 13, 2019 and made the 1st revision in accordance with the regulation on November 15, 2021.

(2) The Company intends to complete the evaluation and report the results to the Board of Directors by the end of the fourth quarter of each year and complete the reporting process.

(3) In 2019, the Company voluntarily advanced the implementation with the first performance evaluation of the Board of Directors for the period from November 1, 2018 to October 31, 2019; the second implementation was in 2020, for the period from November 1, 2019 to October 31, 2020 with superior evaluation results; The third implementation was in 2021 for the period from November 1, 2020 to October 31, 2021. The fourth implementation was in 2022 for the period from November 1, 2021 to October 31, 2022; The fifth implementation was in 2023, since 2023, the performance evaluation method of functional committees (Audit Committee, Remuneration Committee, Nomination Committee) had been changed to fill in self-evaluation forms independently, and the evaluation period is from November 1, 2022 to October 31, 2023; This was the 6th implementation in 2024, with the period running from November 1, 2023 to October 31, 2024 and a superior evaluation rating. The implementation result was reported to the Board of Directors on November 13, 2024, and was posted to the operating system designated by TWSE to file the board's performance evaluation. Relevant information is also disclosed on the Company's official website for reference and is used as a reference for the annual review of individual directors' remuneration and nomination for renewal.

(II) Audit Committee annual work priorities and operations

The Audit Committee appointed 3 independent directors, Mr. Tseng-Ping Chao, Mr. Hsin-Kai Kung and Mr. Man-Sheng Huang as members of the first Audit Committee of the Company for the period from June 21, 2017 to June 20, 2020, which is the same as the expiration date of their appointments for the Board of Directors, and the original independent director, Mr. Jui-Chun Yu, resigned due to personal factors before the shareholders' meeting by-election on June 29, 2018. The newly appointed independent director, Mr. Man-Sheng Huang, succeeded him in the by-election of the shareholders' meeting held on June 29, 2018, and Mr. Tseng-Ping Chao was elected from among all members as the convener and chair of the meeting.

The Audit Committee appointed 3 independent directors, Mr. Tseng-Ping Chao, Mr. Jung-Tsung Yang and Mr. Ping-Sum Lui as members of the second Audit Committee of the Company for the period from June 18, 2020 to June 17, 2023, which is the same as the expiration date of their appointments for the Board of Directors, and the original independent director, Mr. Hsin-Kai Kung, resigned due to personal factors before the

shareholders' meeting by-election on May 16, 2022. The newly appointed independent director, Mr. Ping-Sum Lui succeeded him in the by-election of the shareholders' meeting held on June 24, 2022, and Mr. Tseng-Ping Chao was elected from among all members as the convener and chair of the meeting.

Audit Committee appointed Independent Director Mr. Tseng-Ping Chao, Mr. Jung-Tsung Yang, Mr. Ping-Sum Lui, and Mr. Jaime Che as members of the third Audit Committee of the Company for the same term of office from June 16, 2023 to June 15, 2026 as the Board of Directors that appointed them. The Company expects to add an independent director if the chairperson and general manager are still the same person when the board directors are fully re-elected in June 16, 2023, in order to strengthen the independence of the Board of Directors and comply with regulations. There are 7 directors, only 3 of which have the status of employees or managers, and at the same time meet the requirement that a majority of the directors should not also be employees or managers, while the remaining 4 are all independent directors with more than one-half of the number of seats on the Board of Directors, so the Board of Directors still maintains its objectivity in decision-making. Since independent directors were ex-officio members of the Audit Committee, the third Audit Committee had 4 seats and Mr. Tseng-Ping Chao was elected from among all members as the convener and chair of the meeting.

The annual work priorities of the Audit Committee are the review of financial statements, the assessment of the effectiveness of the internal control system, the selection (dismissal) and independence and performance of attesting CPAs, the Company's compliance with relevant laws and regulations, the control of existing or potential risks of the Company, the appointment and removal of the officers of finance, accounting or internal audit, and the review of related business as stipulated in Article 14-1 of the Securities and Exchange Act, Article 14-5 of the Securities and Exchange Act and to make recommendations to the Board of Directors for its decision making.

There are 4 members of the 3rd Audit Committee.

The Audit Committee met 15 times (The 3rd term) in the last year, and the attendance of independent directors is as follows:

Title	Name	Number of times of attendance in person	Number of times of attendance by proxy	(%) attendances in person	Remarks
Convener	Tseng-ping Chao	11	4	73	Re-elected Re-election date: June 16, 2023 (Members elect from among themselves)
Member	Jung-Tsung Yang	13	2	87	Re-elected Re-election date: June 16, 2023
Member	Ping-Sum Lui	15	0	100	Re-elected Re-election date: June 16, 2023
Member	Jaime Che	13	2	87	Newly appointed Re-election date: June 16, 2023 (Note)

(Note): The Company expects to add an independent director and the third session of the Audit Committee sets 4 seats if the chairperson and general manager are still the same person when the board directors are fully re-elected in June 16, 2023, in order to strengthen the independence of the Board of Directors and comply with regulations. Mr. Jaime Che, an independent director, was elected as the 22nd new Independent Director and member of the Audit Committee at the Shareholders' meeting on June 16, 2023.

Other matters to be recorded:

I. If the operation of the Audit Committee is under any of the following circumstances, the date, term, proposal content of the meetings of the Audit Committee, resolution of the Audit Committee, the objections, reservations or major recommendations of the independent directors, the results of the Audit Committee's resolutions and the Company’s handling of the Audit Committee’s opinions should be described:

(I) Matters listed in Article 14-5 of the Securities and Exchange Act:

Date of Audit Committee meeting	Meeting Session	Item order	Important resolution	The objections, reservations or major recommendations of the independent directors	Resolution of the Audit Committee	The Company’s handling of the Audit Committee’s opinions
January 17, 2024	3rd term 6th session	1	Report on the implementation of the capital loan and over-limit improvement plan of Youcheng Financial Leasing Co., Ltd.,	None	Approved as proposed with no objection from any members present	Not applicable

			(hereinafter referred to as Youcheng), a 100%-owned subsidiary of the Company.			
		2	Reported on the execution of internal audit work in November and December 2023.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Approved the proposal of the legal representative of Youcheng Financial Leasing Co., Ltd. and its subsidiaries.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Approved the proposal to lift the prohibition on the Company's managerial officers from competing for business.	None	Approved as proposed with no objection from any members present	Not applicable
		5	Approved the proposal for the Company to participate in the cash capital increase by the extraordinary shareholders' meeting on December 28, 2023 of Da Yu Financial Holdings Limited (hereinafter referred to as Da Yu Financial, Hong Kong stock code 1073.HK).	None	Approved as proposed with no objection from any members present	Not applicable
		6	Approved the independent judgment on the 2022 attesting CPAs in compliance with the competent authorities	None	Approved as proposed with no objection from any members present	Not applicable
		7	Approved the subsidiary ROYAL SUNWAY DEVELOPMENT CO., LTD.'s plan to apply for a short-term loan of NT$90 million from China Leasing Co., Ltd., with the Company acting as a joint guarantor.	None	Approved as proposed with no objection from any members present	Not applicable

February 2, 2024	3rd term 7th session	1	Approved the proposed amendments to certain provisions of the “Management Measures for the Authorization of Duties and Acting Persons” of the Company.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Passed the amendments to certain provisions of the Company’s “Article of Incorporation”.	None	Approved as proposed with no objection from any members present	Not applicable
February 15, 2024	3rd term 8th session	1	Reported on the execution of internal audit work in January 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Approved the Company to the International Bills Finance Corporation. to handle the issue of commercial promissory note guarantee.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Approved the Company's plan to establish two new Marine subsidiaries in Liberia company.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Approved the results of the preliminary discussion at the 6th meeting of the 22nd Board of Directors' Meeting on the future action strategy of Grand Ocean Retail Group Limited (hereinafter referred to as "Grand Ocean KY").	None	Approved as proposed with no objection from any members present	Not applicable
March 15, 2024	3rd term 9th session	1	Report on the Company and its subsidiaries (excluding Grand Ocean Retail Group Ltd. and its subsidiaries) have adopted the International Financial Reporting Standards (IFRS’s)	None	Approved as proposed with no objection from any members present	Not applicable

			approved by the Financial Supervisory Commission to prepare consolidated financial reports since 2023.			
		2	Approved the Company's 2023 self-consolidated financial statement.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Approved to issue the Company's 2023 "Internal Control System Statement".	None	Approved as proposed with no objection from any members present	Not applicable
		4	Approved to our company, we handled the renewal of NT$100 million short-term loan line with Huanan Bank. Submitted for resolution.	None	Approved as proposed with no objection from any members present	Not applicable
		5	Approved the proposal to approve the application filed by Youcheng Financial Leasing Co., Ltd. for changing the repayment terms on the loan borrowed from the subsidiary First Steamship S.A.	None	Approved as proposed with no objection from any members present	Not applicable
		6	Approved the results of the discussion at the 6th meeting and the 9th meeting of the 22nd Board of Directors' Meeting on the future action strategy of Grand Ocean Retail Group Limited (hereinafter referred to as "Grand Ocean KY").	None	Approved as proposed with no objection from any members present	Not applicable

		7	Approved cancellation of the Endorsement and Guarantee Limit for the Company's Subsidiary Grand Ocean Retail Group Ltd. (hereinafter referred to as G.O.R.G.).	None	Approved as proposed with no objection from any members present	Not applicable
		8	Approved the proposal of the Company's proposed capital loan and Xinshengyang Development Co., Ltd (hereinafter referred to as Xinshengyang.)	None	Approved as proposed with no objection from any members present	Not applicable
March 28, 2024	3rd term 10th session	1	Report on newly increased capital loans and endorsement guarantees from October to December 2023.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Reported on the execution of internal audit work in February 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Reported on the Company and its subsidiaries' progress in GHG emissions inventory.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Approved the proposal of the directors and general managers of Youcheng Financial Leasing Co., Ltd. and its subsidiaries.	None	Approved as proposed with no objection from any members present	Not applicable
		5	Approved the Company's 2023 year business report, consolidated financial report and individual financial report.	None	Approved as proposed with no objection from any members present	Not applicable
		6	Approved the Company's 2023 year employee and director remuneration payment case.	None	Approved as proposed with no objection from any members present	Not applicable

		7	Approved the Company's 2023 year profit and loss supplement proposal.	None	Approved as proposed with no objection from any members present	Not applicable
		8	Approved the results of the discussion at the 6th meeting, the 9th meeting, and the 10th meeting of the 22nd Board of Directors' Meeting on the future action strategy of Grand Ocean Retail Group Limited (hereinafter referred to as "Grand Ocean KY").	None	Approved as proposed with no objection from any members present	Not applicable
		9	Approved the amendments to certain provisions of the "Guard Against Insider Trading Management Operations" of the Company.	None	Approved as proposed with no objection from any members present	Not applicable
		10	Passed the proposal on removal of restrictions on directors' competition for business	None	Approved as proposed with no objection from any members present	Not applicable
		11	Approved the Company's 2023 Annual Audit Committee's review report.	None	Approved as proposed with no objection from any members present	Not applicable
April 22, 2024	3rd term 11th session	1	Report on the implementation of the capital loan and over-limit improvement plan of Youcheng Financial Leasing Co., Ltd., (hereinafter referred to as Youcheng), a 100%-owned subsidiary of the Company.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Report on the results of the discussion at the 6th, 9th, 10th and 11th meeting of the 22nd	None	Approved as proposed with no objection from any	Not applicable

			Board of Directors' Meeting on the future action strategy of Grand Ocean Retail Group Limited (hereinafter referred to as "Grand Ocean KY".) Please provide a progress update.		members present	
		3	Reported on the execution of internal audit work in March 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Passed the proposal on removal of restrictions on directors' competition for business	None	Approved as proposed with no objection from any members present	Not applicable
May 13, 2024	3rd term 12th session	1	Report on newly increased capital loans and endorsement guarantees from January to March 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Report on the implementation of the capital loan and over-limit improvement plan of Youcheng Financial Leasing Co., Ltd., (hereinafter referred to as Youcheng), a 100%-owned subsidiary of the Company.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Report on the Company's acquisition of convertible bonds with contingent conversion rights issued by RO Brand Technology (TW) Inc., amounting to US$1,000,000.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Report on the implementation of corporate governance in 2024 and the results of the 2023 corporate	None	Approved as proposed with no objection from any members	Not applicable

			governance evaluation.		present	
		5	Passed the proposal on the Company’s consolidated financial reports for the first quarter of 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		6	Approved the assessment of the Company's receivables.	None	Approved as proposed with no objection from any members present	Not applicable
June 18, 2024	3rd term 13rd session	1	Reported on the execution of internal audit work in April 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Reported on the Company and its subsidiaries’ progress in GHG emissions inventory.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Approved the Company’s 2023 Sustainability Report.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Approved the application by the Company and its subsidiaries to extend loan lines from financial institutions due to business needs in the second quarter of 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		5	Approved the extension of the loan to Youcheng Finance Leasing Co., Ltd. (hereinafter referred to as "Youcheng") through subsidiary First Steamship S.A. (hereinafter referred to as "F.S.S.A.").	None	Approved as proposed with no objection from any members present	Not applicable

		6	Approval of the proposed adjustment to the joint development contract with co-landowner Honor Construction International Co., Ltd. and developer Xinshengyang Development Co., Ltd. and developer Honor Construction Building Development Co., Ltd. for the joint development of the Company's land in New Taipei City, Tucheng District, Yongfu Section Lot No. 55, 55-1 (hereinafter referred to as "Land Case III") and Yongfu Section Lot No. 70, 73 and 74 (hereinafter referred to as "Land Case IV"), with an additional supplementary agreement to be established.	None	Approved as proposed with no objection from any members present	Not applicable
June 28, 2024	3rd term 14th session	1	Approved the subsidiary First Steamship S.A. (hereinafter referred to as "F.S.S.A.") to lend funds to Grand Ocean Retail Group Ltd. (hereinafter referred to as "G.O.R.G.").	None	Approved as proposed with no objection from any members present	Not applicable
		2	Approved the subsidiary Grand Ocean Retail Group Ltd. (hereinafter referred to as "G.O.R.G.") to apply for a short-term loan of US$8 million from EnTie Commercial Bank, with the Company serving as the joint guarantor.	None	Approved as proposed with no objection from any members present	Not applicable
August 12, 2024	3rd term 15th session	1	Reported on the status of new funds lending and endorsements from April	None	Approved as proposed with no objection	Not applicable

			to June 2024.		from any members present	
		2	Reported on the execution of internal audit work in May and June 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Approved the proposal on the Company’s consolidated financial reports for the second quarter of 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Approved the Company's application for a short-term loan facility from Bank of Panhsin.	None	Approved as proposed with no objection from any members present	Not applicable
		5	Approved the proposal of the Company's proposed capital loan and Xinshengyang Development Co., Ltd (hereinafter referred to as Xinshengyang.)	None	Approved as proposed with no objection from any members present	Not applicable
		6	Approved the subsidiary First Steamship S.A. (hereinafter referred to as "F.S.S.A.") to lend funds to Grand Ocean Retail Group Ltd. (hereinafter referred to as "G.O.R.G.").	None	Approved as proposed with no objection from any members present	Not applicable
September 9, 2024	3rd term 16th session	1	Reported on the execution of internal audit work in July 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Approved the Company's plan to acquire domestic unsecured ordinary corporate bonds issued by RO Brand Technology (TW) Inc. in an amount not exceeding	None	Approved as proposed with no objection from any members present	Not applicable

			US$2 million.			
October 16, 2024	3rd term 17th session	1	Reported on the execution of internal audit work in August 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Reported on the Company and its subsidiaries' progress in GHG emissions inventory.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Approved the proposed appointment of Chih Yeh Consultancy Limited as the principal consultant, they will provide consulting services to "assist the Company in developing response strategies to prevent the Group from being affected by department store business losses, as well as feasibility assessments of the response strategies and planning for future implementation." The Company also proposes to appoint Chien Yeh Law Offices as the legal compliance consultant for the project, and KPMG as the financial consultant for the project.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Approved to our company, we handled the renewal of NT$130 million short-term loan line with Mega Bank. Submitted for resolution.	None	Approved as proposed with no objection from any members present	Not applicable
		5	Approved the subsidiary First Steamship S.A.'s (hereinafter referred to as "F.S.S.A.") proposal	None	Approved as proposed with no objection from any	Not applicable

			to provide a loan to First Steamship Co., Ltd. (hereinafter referred to as "the Company").		members present	
		6	Approved the proposal for capital reduction and return of share capital by investee subsidiary.	None	Approved as proposed with no objection from any members present	Not applicable
		7	Approved the proposal to adjust the loan interest rates between subsidiaries.	None	Approved as proposed with no objection from any members present	Not applicable
		8	Approved the proposal of the Company's proposed capital loan and Xinshengyang Development Co., Ltd (hereinafter referred to as Xinshengyang.)	None	Approved as proposed with no objection from any members present	Not applicable
November 1, 2024	3rd term 18th session	1	Reported on the execution of internal audit work in September 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Approved the Company’s plan to renew the long-term secured loan limit to Taiwan Taishin Commercial Bank Company Ltd.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Approved the subsidiary Xinshengyang Development Co., Ltd.’s plan to apply for a long-term loan of NT$426.5 million from Taishin Bank, with the Company serving as joint guarantor and providing collateral.	None	Approved as proposed with no objection from any members present	Not applicable
November 13, 2024	3rd term 19th session	1	Reported on the status of new funds lending and endorsements from July to September 2024.	None	Approved as proposed with no objection from any members	Not applicable

					present	
		2	Reported on the performance evaluation and implementation results of the operations of the Board of Directors from November 2023 to October 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Passed the proposal on the Company’s consolidated financial statements for the third quarter of 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Approved the audit fee proposal for 2024 attesting CPAs.	None	Approved as proposed with no objection from any members present	Not applicable
December 13, 2024	3rd term 20th session	1	Reported on the execution of internal audit work in October 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		2	Reported on the Company's liability insurance coverage for directors, supervisors and key employees.	None	Approved as proposed with no objection from any members present	Not applicable
		3	Reported on the execution of the Company's corporate governance in 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		4	Reported on the promotion of the Company’s ethical corporate management and prevention of insider trading in 2024.	None	Approved as proposed with no objection from any members present	Not applicable
		5	Reported on the communication between the Company and the various stakeholders in 2024.	None	Approved as proposed with no objection from any members	Not applicable

					present	
		6	Approved the addition of the "Internal Control System for Management of Sustainability Information" for the Company.	None	Approved as proposed with no objection from any members present	Not applicable
		7	Approved the Company's 2025 annual audit plan by internal audit.	None	Approved as proposed with no objection from any members present	Not applicable
		8	Approved the Company's operating budget for 2025.	None	Approved as proposed with no objection from any members present	Not applicable
		9	Approved the independent judgment from December 2023 to November 2024 attesting CPAs in compliance with the competent authorities.	None	Approved as proposed with no objection from any members present	Not applicable
		10	Approved the proposal to accept the non-assurance service to be provided by KPMG in 2025.	None	Approved as proposed with no objection from any members present	Not applicable
		11	Approved the Company’s plan to continuously apply for loan limit to Bank of Taiwan.	None	Approved as proposed with no objection from any members present	Not applicable
		12	Approved the Company's application for a loan facility from Taichung Commercial Bank.	None	Approved as proposed with no objection from any members present	Not applicable
		13	Approved the subsidiary First Steamship S.A.’s (hereinafter referred to as "F.S.S.A.") proposal to provide a loan to First	None	Approved as proposed with no objection from any members	Not applicable

			Steamship Co., Ltd. (hereinafter referred to as "the Company").		present	
		14	Approved a loan from the subsidiary Heritage Riches Ltd. (hereinafter referred to as "H.R.L.") to First Steamship S.A. (hereinafter referred to as "F.S.S.A.").	None	Approved as proposed with no objection from any members present	Not applicable
		15	Approved a medium-term secured loan from the subsidiary Sure Success Steamship S.A. (hereinafter referred to as "S.S.S.S.A.") from Taichung Commercial Bank, with the Company serving as joint guarantor.	None	Approved as proposed with no objection from any members present	Not applicable
		16	Approved the Company's endorsement and guarantee for its subsidiary Xinshengyang Development Co., Ltd. regarding a medium-term secured loan facility of NT$250.9 million from Taichung Commercial Bank.	None	Approved as proposed with no objection from any members present	Not applicable
		17	Approved the proposal of the Company's proposed capital loan and Xinshengyang Development Co., Ltd (hereinafter referred to as Xinshengyang.)	None	Approved as proposed with no objection from any members present	Not applicable
		18	Passed the proposal on removal of restrictions on directors' competition for business	None	Approved as proposed with no objection from any members present	Not applicable

(II) In addition to the previous matters, other matters that have not been approved by the Audit Committee but approved by more than two-thirds of all directors: None.

II. In the implementation of an independent director's recusal for being an interested party in a proposal, the director's name, the proposal content, the recusal reasons and his or her

participation in voting should be stated:

1. Date of the Audit Committee meeting: January 17, 2024

Proposal: Proposal for the Company to participate in the cash capital increase (hereinafter referred to as the rights issue) by the extraordinary shareholders' meeting on December 28, 2023 of Da Yu Financial Holdings Limited (hereinafter referred to as Da Yu Financial, Hong Kong stock code 1073.HK).

Name of independent director: Mr. Ping-Sum Lui

Reason for recusal: Independent Director Mr. Ping-Sum Lui was an interested party due to his current position at the fund managed by ASM and his holding of the relevant listed company's shares.

Participation in voting: Except for the members who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other members present passed it without objection.

2. Date of the Audit Committee meeting: May 13, 2024

Proposal: Assessment of the Company's receivables.

Name of independent director: Mr. Jung-Tsung Yang

Reason for recusal: The independent director, Mr. Jung-Tsung Yang was an interested party because he was a legal advisor to Honor Construction.

Participation in voting: Except for the directors who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other directors present passed it without objection.

3. Date of the Audit Committee meeting: June 18, 2024

Proposal: Proposal of the proposed adjustment to the joint development contract with co-landowner Honor Construction International Co., Ltd. and developer Xinshengyang Development Co., Ltd. and developer Honor Construction Building Development Co., Ltd. for the joint development of the Company's land in New Taipei City, Tucheng District, Yongfu Section Lot No. 55, 55-1 (hereinafter referred to as "Land Case III") and Yongfu Section Lot No. 70, 73 and 74 (hereinafter referred to as "Land Case IV"), with an additional supplementary agreement to be established.

Name of independent director: Mr. Jung-Tsung Yang

Reason for recusal: The independent director, Mr. Jung-Tsung Yang was an interested party because he was a legal advisor to Honor Construction.

Participation in voting: Except for the members who recused themselves from the meeting in accordance with law and did not participate in the discussion and voting, the other members present passed it without objection.

III. Communication between independent directors, internal audit officer and CPA (major matters, methods and results of communication on the Company's financial and business conditions, etc. should be included): The internal audit officer of the Company is required to attend the Audit Committee meetings to communicate with the committee members. At least once a year, the Company's internal auditors will meet separately with the independent directors to explain and discuss the priorities of the Company's internal control audits, and

CPAs will communicate with the independent directors regarding the audit of financial statements, so that the independent directors can have a fuller understanding of the Company's governance and financial status.

Records of communication between independent directors and internal audit officer				
Date	Term of Meeting	Item Order	Important Resolution	Implementation Status
January 17, 2024	3rd term 6th session	2	Reported on the execution of internal audit work in November and December 2023.	Approved as proposed without objection.
February 2, 2024	3rd term 7th session	1	Approved the proposed amendments to certain provisions of the “Management Measures for the Authorization of Duties and Acting Persons” of the Company	Approved as proposed without objection.
February 15, 2024	3rd term 8th session	1	Reported on the execution of internal audit work in January 2024.	Approved as proposed without objection.
March 15, 2024	3rd term 9th session	3	Approved to issue the Company's 2023 "Internal Control System Statement".	Approved as proposed without objection.
March 28, 2024	3rd term 10th session	2	Reported on the execution of internal audit work in February 2024.	Approved as proposed without objection.
		10	Approved the planned amendments to certain provisions of the "Guard Against Insider Trading Management Operations” of the Company.	Approved as proposed without objection.
April 22, 2024	3rd term 11th session	2	Reported on the execution of internal audit work in March 2024.	Approved as proposed without objection.
May 13, 2024	3rd term 12th session		There was no internal audit proposal in the Audit Committee.	
June 18, 2024	3rd term 13th session	1	Reported on the execution of internal audit work in April 2024.	Approved as proposed without objection.
June 28, 2024	3rd term 14th session		There was no internal audit proposal in the Audit Committee.	
August 12, 2024	3rd term 15th session	2	Reported on the execution of internal audit work in May and June 2024.	Approved as proposed without objection.
September 9, 2024	3rd term 16th session	1	Reported on the execution of internal audit work in July 2024.	Approved as proposed without objection.
October 16, 2024	3rd term 17th session	1	Reported on the execution of internal audit work in August 2024.	Approved as proposed without objection.
November 1, 2024	3rd term 18th session	1	Reported on the execution of internal audit work in September 2024.	Approved as proposed without objection.

November 13, 2024	3rd term 19th session		There was no internal audit proposal in the Audit Committee.	
December 13, 2024	Two-way communication meeting of the internal audit officer and independent directors	1	Description of the annual plan. Status report and audit highlights of subsidiary supervision and management.	Approved as proposed without objection.
December 13, 2024	3rd term 20th session	1	Reported on the execution of internal audit work in October 2024.	Approved as proposed without objection.
		7	Approved the addition of the "Internal Control System for Management of Sustainability Information" for the Company.	Approved as proposed without objection.
		8	Approved the Company's 2025 annual audit plan by internal audit.	Approved as proposed without objection.
January 17, 2025	3rd term 21st session	1	Reported on the execution of internal audit work in November and December 2024.	Approved as proposed without objection.
February 21, 2025	3rd term 22nd session	2	Reported on the execution of internal audit work in January 2025.	Approved as proposed without objection.

Records of communication between independent directors and CPAs

Date	Item order	Communication Matters	Communication Results
December 13, 2024	1	Independence	No comments for this meeting
	2	Responsibilities of reviewers for reviewing the interim financial statements	
	3	Operation Status for the First Three Quarters of 2024	
	4	Check the Schedule	
	5	Areas to Focus on when Checking	
	6	Critical Accounting Estimates	
	7	Significant Regulatory Updates	

IV. The term of office of the 3rd Audit Committee is from June 16, 2023 to June 15, 2026, and the total number of meetings in 2024 was 15.

Supervisors' participation in the operation of the Board of Directors: None (The Company established an audit committee to replace supervisors in accordance with the resolution of the shareholder meeting on June 18, 2020)

(III) The Company's implementation of corporate governance and the differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and their reasons.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
I. Has the Company formulated and disclosed its corporate governance practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	✓		The Company has formulated a set of "Corporate Governance Practice Principles" and disclosed it on the Company website and the Market Observation Post System.	No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
II. The Company's equity structure and shareholder equity				
(I) Has the Company established internal operating procedures to handle shareholder recommendations, doubts, disputes, litigations, and implemented them according to the procedures?	✓		(I) The Company has a spokesperson and an acting spokesperson; suggestions, doubts or disputes of shareholders are handled and responded to by the designated stock affairs agency, KGI Securities Co., Ltd. In the event of litigation, legal counsel will be entrusted to handle the matter.	(I) No major difference.
(II) Does the Company have a list of the major shareholders who actually control the Company and those who ultimately control the major shareholders?	✓		(II) Keep track of the list of major shareholders who actually control the Company and the ultimate controllers of major shareholders and file reports in accordance with the requirements of the Rules Governing Information Reporting by Companies with TPEx Listed Securities.	(II) No major difference.
(III) Has the Company established and implemented risk control and firewall mechanisms between affiliated companies?	✓		(III) The Company's transactions with its affiliates are conducted in accordance with relevant laws and regulations, the Company's internal control systems, and the supervisory measures for its subsidiaries, with appropriate risk control.	(III) No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
(IV) Has the Company formulated internal regulations to prevent insiders from trading securities using undisclosed information on the market?	✓		(IV) The Company has formulated its "Procedures for Ethical Management and Guidelines for Conduct","Regulations for Prevention of Insider Trading", and communicate the content thereof by adding an alert news ticker on the Company's website; this way, the Company reminds employee and insiders of the Company's prohibition on insider trading and forbids insiders from using non-public information to trade marketable securities.	(IV) No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
III. Composition and responsibilities of the Board of Directors				
(I) Has the Board of Directors formulated and implemented a diversity policy on membership?	✓		(I) The Company has stipulated in the "Corporate Governance Practice Principles" that the composition of the Board of Directors should be made by considering diversity, having formulated an appropriate diversity policy based on the Company's operation style and development needs, and has thoroughly implemented it, please refer to pages 24 to 27 of this Annual Report.	(I) No major difference.
(II) In addition to the Remuneration Committee and the Audit Committee established in accordance with the law, has the Company voluntarily set up other functional committees?	✓		(II) According to the resolution reached at the Board of Directors meeting dated December 15, 2022, which was the same as the term of the Board of Directors that appointed them. All were held by independent directors of the Company. The Committee may hold a meeting any time where necessary. The 1st Nomination Committee staffed it with three members. Mr. Tseng-Ping Chao, Mr. Jung-Tsung Yang, and	(II) No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			Mr. Ping-Sum Lui, were hired to serve as members of the Nomination Committee for the term from December 15, 2022 to June 17, 2023. Mr. Tseng-Ping Chao was elected as convener and chair of the meeting from among the members themselves. Because the chairman and the general manager are the same, one independent director must be added according to the law, so the second Nomination Committee has been changed from the original 3 seats to 4 seats before the expiration of the term of the directors of the Company full re-election at the general meeting of shareholders on June 16, 2023. Mr. Tseng-Ping Chao, Mr. Jung-Tsung Yang, Mr. Ping-Sum Lui, and Mr. Jaime Che were hired to serve as members of the Nomination Committee. Mr. Tseng-Ping Chao was elected as convener and chair of the meeting from among the members themselves. The Nomination Committee met 3 times in	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
(III) Whether the Company has formulated board performance evaluation measures and methods, conducts performance evaluations annually and regularly, and reports the results of performance evaluations to the Board of Directors, and uses them as a reference for individual directors' remuneration and a nomination for reappointment?	✓		2024. (III) The Company established the "Board Performance Evaluation Measures and Methods" on November 13, 2019 and completed the first performance evaluations of the Board of Directors and functional committees for the period from November 2018 to October 2019. The results of the performance evaluations were reported to the Board of Directors on December 20, 2019. The performance evaluation will be conducted on an ongoing basis in accordance with the Measures. In 2020, the second performance evaluation of the Board of Directors and functional committees were carried out to assess their performance during November 2019 and October 2020, and the evaluation results were reported to the Board of Directors on November 12, 2020. In 2021, the third evaluation of the performance of the Board of Directors and the functional committees were	(III) No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			carried out to assess their performance during November 2020 and October 2021, and the evaluation results were reported to the Board of Directors on December 20, 2021. In 2022, the fourth evaluation of the performance of the Board of Directors and the functional committees were carried out to assess their performance during November 2021 and October 2022, and the evaluation results were reported to the Board of Directors on November 11, 2022. The fifth implementation was in 2023, since 2023, the performance evaluation method of functional committees (Audit Committee, Remuneration Committee, Nomination Committee) had been changed to fill in self-evaluation forms independently. The functional committees were carried out to assess their performance during November 2022 and October 2023, and the evaluation results were reported to the Board of Directors on November	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			13, 2023. In 2024, the sixth evaluation of the performance of the Board of Directors and the functional committees were carried out to assess their performance during November 2021 and October 2022, and the evaluation results were reported to the Board of Directors on November 13, 2024 with a superior evaluation rating. And was posted to the operating system designated by TWSE to file the board's performance evaluation, Relevant information is also disclosed on the Company's official website for reference and is used as a reference for the annual review of individual directors' remuneration and nomination for renewal.	
(IV) Does the Company regularly evaluate the independence of the attesting CPA?	✓		(IV) The independence and competence of CPA have been regularly evaluated, and whether there is a rotation of CPA according to laws and regulations has been regularly tracked. The review of attesting CPAs'competence using audit quality indicators (AQIs) in 2024 was	(IV) No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			submitted to and approved by the 19th meeting of the 3rd Audit Committee and the 20th meeting of the 22nd Board of Directors on November 13, 2024; the review of attesting CPAs' independence in 2024 was submitted to and reviewed by the 20th meeting of the 3rd Audit Committee and the 21st meeting of the 22nd Board of Directors on December 13, 2024. A list of non-certification services expected to be provided by the visa CPAs and an assessment of their independence in 2025 were submitted to and approved by the 20th meeting of the 3rd Audit Committee and the 21st meeting of the 22nd Board of Directors on December 13, 2024.	
IV. Do TWSE/TPEx listed companies have a suitable and appropriate number of corporate governance personnel and appoint a corporate governance officer to be responsible for corporate governance-related	✓		The company has set up part-time corporate governance and management personnel to handle corporate governance related affairs. [Corporate governance officer] The Company's 25th meeting of the 21st Board of	No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors in complying with laws and regulations, conducting board meeting and shareholder meeting related matters in accordance with the law, handling company registration and alteration registration, and preparing minutes of board meetings and shareholder meetings, etc.)?			Directors dated May 13, 2022 resolved to hire Mr. Hsin-Kai Kung as the Company's "corporate governance officer" (a position at the level of associate vice president) since May 16, 2022. Mr. Hsin-Kai Kung is a registered CPA of the ROC, and possesses the qualifications requisite for a corporate governance officer, the total number of training hours for Corporate Governance officers in 2024 ended on November 11, 2024, with a total of 30 hours, which was in line with the statutory requirement of 12 hours per year for renewal of the training course for corporate governance officers, and the training hours were reported to the competent authority. [The scope of its powers of office] 1. Assist independent directors and regular directors in carrying out their duties, provide the necessary information, and arrange for directors' continuing education: (1) Provide the information required by directors and facilitate smooth communication and exchange between directors and business executives. (2) Arrange communication meetings between independent directors and internal audit officers or attesting CPA. (3) Assist independent directors and regular directors and arrange courses according to the characteristics of the Company's industry and the	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			academic and experience of the directors. 2. Assist the Board of Directors and shareholder meetings in legal compliance with the procedures and resolutions. (1) Report to the Board of Directors, independent directors, and the Audit Committee on the Company's corporate governance operations status and confirm whether the Company's shareholder meetings and board meetings are held in compliance with the relevant laws and corporate governance principles regulations. (2) Assist and remind directors of the laws and regulations to be observed when executing business or when the board makes resolutions. (3) Responsible for handling the release of important information of significant resolutions of the Board of Directors to ensure the legality and correctness of the content of the information. 3. Prepare the agenda of board meetings, notify directors seven days in advance, provide meeting materials, remind them in advance if the issues require recusal due to conflict of interests, and complete meeting minutes within 20 days after the meeting. 4. Register the date of a shareholder meeting in advance, prepare meeting notices, meeting handbook, and meeting minutes within the legally specified period, and register amendments to the Article of Incorporation or the measures for the re-election of directors in accordance with the law.	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			[Focus of execution in 2024] 1. Carry out board meetings and shareholder meetings in accordance with the law. 2. Prepare minutes of board meetings and shareholder meetings. 3. Provide the board members with corporate governance related laws and regulations, and update them regularly. 4. Arrange further education courses for board members. 5. Provide information necessary for directors to perform their business. 6. Assist directors in complying with laws and regulations. 7. Evaluate and purchase liability insurance for directors and supervisors of the Group. 8. Arrange communication meetings between independent directors and internal audit officers or attesting CPA. 9. Coordinate the Group's greenhouse gas inventory and inspection operations. 10. Coordinate the Group's risk management operations. 11. Convene quarterly corporate governance review meetings.	
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders,	✓		The Company’s website has a special section for stakeholders on the Company's website, with e-mail and contact numbers for the spokesperson and acting	No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
employees, customers and suppliers, etc.) and a special section for stakeholders on the Company's website, and responded appropriately to important corporate social responsibility issues that are of concern to stakeholders?			spokespersons to respond appropriately to important corporate social responsibility issues of concern to stakeholders. And the implementation status in 2024 was reported at the 21st meeting of the 22nd Board of Directors on December 13, 2024.	
VI. Has the Company appointed a professional stock affairs agency to handle matters for shareholder meetings?	✓		The Company has appointed KGI Securities Co., Ltd. to handle the shareholder meeting affairs.	No major difference.
VII. Information Disclosure				
(I) Has the Company set up a website to disclose finance and business matters and corporate governance information?	✓		(I) Website has been set up (Website: http//www.firsteam.com.tw) for the disclosure of information on financial and business matters as well as corporate governance.	(I) No major difference.
(II) Has the Company adopted other means of information disclosure (such as setting up an English website, appointing dedicated personnel responsible for the collection and	✓		(II) The Company has disclosed relevant information on the Market Observation Post System, and has dedicated personnel responsible for the collection and disclosure of corporate	(II) No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
disclosure of Company information, implementing a spokesperson system, posting the Company's earnings calls on its website, etc.)?			information, and has implemented a spokesperson system to explain to the public in a timely manner. When the Company holds a corporate briefing or earnings call, the Company will simultaneously reveal the content on the official website for investors to read, and place the proceedings of the corporate briefing or earnings call on the Company's website.	
(III) Does the Company publicly announce and file annual financial statements within two months after the end of the fiscal year? The financial statements for the first, second and third quarters and the monthly operating status before the prescribed deadline?		✓	(III) The Company is still in the process of planning to achieve early announcement and financial filing.	(III) No material difference, and the Company has completed the filing of all relevant financial statements within the statutory deadlines.
VIII. Does the Company have other important information that is helpful to understand its implementation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier	✓		(I) Employees are covered by group term life insurance (including medical), health checkups, birthday parties, birthday gifts, wedding and funeral stipends, and annual festival grants, etc. In addition, the Company has a welfare	No major difference.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
relations, stakeholder rights, continuing education of directors and supervisors, Implementation of risk management policies and risk measurement standards, implementation of customer policies, the Company's purchase of liability insurance for directors and supervisors, etc.)?			committee responsible for handling various employee welfare matters. It has established HR management rules in accordance with the Labor Standards Act and the spirit of gender equality in the workplace to establish mutual trust and reliability to ensure that employee welfare and retirement rights are protected. (II) The Company has dedicated personnel to handle investors' suggestions and related matters. (III) The Company always keeps promises and business ethics with suppliers and stakeholders. It will not arbitrarily delay payments to protect their legal rights and interests and maintain good relationships with suppliers and stakeholders. (IV) On-the-job training courses taken by directors and the corporate governance officer: (1) Chairman Jen-Hao Kuo attended professional development courses organized by Taiwan Corporate Governance	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			Association on October 17, 2024, including "How Corporate Digital Transformation Can Balance Intelligent Security Risks to Create Triple-Win" for 3 hours, and "Legal Issues the Board Should Understand to Avoid Crossing the Red Line of Concerted Actions and Prevent Insider Trading" for 3 hours. On October 18, 2024, he attended courses held by the Corporate Governance Association of Taiwan, including "Integrity Management and Anti-Corruption from a Sustainable Governance Perspective" for 3 hours, and "Prevention of Labor Disputes and Corporate Governance (Including Gender Equality in Employment Act)" for 3 hours, totaling 12 hours. (2) Director Dennis Wai-Tak Yau attended professional development courses organized by Taiwan Corporate Governance Association on October 17, 2024, including "How Corporate Digital	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			Transformation Can Balance Intelligent Security Risks to Create Triple-Win" for 3 hours, and "Legal Issues the Board Should Understand to Avoid Crossing the Red Line of Concerted Actions and Prevent Insider Trading" for 3 hours. On October 18, 2024, he attended courses held by the Corporate Governance Association of Taiwan, including "Integrity Management and Anti-Corruption from a Sustainable Governance Perspective" for 3 hours, and "Prevention of Labor Disputes and Corporate Governance (Including Gender Equality in Employment Act)" for 3 hours, totaling 12 hours. (3) Director Chien-Wan Chuang attended professional development courses organized by Taiwan Corporate Governance Association on October 17, 2024, including "How Corporate Digital Transformation Can Balance Intelligent Security Risks to Create Triple-Win" for 3	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			hours, and "Legal Issues the Board Should Understand to Avoid Crossing the Red Line of Concerted Actions and Prevent Insider Trading" for 3 hours. On October 18, 2024, he attended courses held by the Corporate Governance Association of Taiwan, including "Integrity Management and Anti-Corruption from a Sustainable Governance Perspective" for 3 hours, and "Prevention of Labor Disputes and Corporate Governance (Including Gender Equality in Employment Act)" for 3 hours, totaling 12 hours. (4) Independent director Tseng-Ping Chao attended professional development courses organized by Taiwan Corporate Governance Association on October 17, 2024, including "How Corporate Digital Transformation Can Balance Intelligent Security Risks to Create Triple-Win" for 3 hours, and "Legal Issues the Board Should Understand to Avoid Crossing the Red Line	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			of Concerted Actions and Prevent Insider Trading" for 3 hours. On October 18, 2024, he attended courses held by the Corporate Governance Association of Taiwan, including "Integrity Management and Anti-Corruption from a Sustainable Governance Perspective" for 3 hours, and "Prevention of Labor Disputes and Corporate Governance (Including Gender Equality in Employment Act)" for 3 hours, totaling 12 hours. (5) Independent director Jung-Tsung Yang attended professional development courses organized by Taiwan Corporate Governance Association on October 17, 2024, including "How Corporate Digital Transformation Can Balance Intelligent Security Risks to Create Triple-Win" for 3 hours, and "Legal Issues the Board Should Understand to Avoid Crossing the Red Line of Concerted Actions and Prevent Insider	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			Trading" for 3 hours. On October 18, 2024, he attended courses held by the Corporate Governance Association of Taiwan, including "Integrity Management and Anti-Corruption from a Sustainable Governance Perspective" for 3 hours, and "Prevention of Labor Disputes and Corporate Governance (Including Gender Equality in Employment Act)" for 3 hours, totaling 12 hours. (6) Independent director Ping-Sum Lui attended professional development courses organized by Taiwan Corporate Governance Association on October 17, 2024, including "How Corporate Digital Transformation Can Balance Intelligent Security Risks to Create Triple-Win" for 3 hours, and "Legal Issues the Board Should Understand to Avoid Crossing the Red Line of Concerted Actions and Prevent Insider Trading" for 3 hours. On October	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			18, 2024, he attended courses held by the Corporate Governance Association of Taiwan, including "Integrity Management and Anti-Corruption from a Sustainable Governance Perspective" for 3 hours, and "Prevention of Labor Disputes and Corporate Governance (Including Gender Equality in Employment Act)" for 3 hours, totaling 12 hours. (7) Independent director Jaime Che attended professional development courses organized by Taiwan Corporate Governance Association on October 17, 2024, including "How Corporate Digital Transformation Can Balance Intelligent Security Risks to Create Triple-Win" for 3 hours, and "Legal Issues the Board Should Understand to Avoid Crossing the Red Line of Concerted Actions and Prevent Insider Trading" for 3 hours. On October 18, 2024, he attended courses held by the	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			Corporate Governance Association of Taiwan, including "Integrity Management and Anti-Corruption from a Sustainable Governance Perspective" for 3 hours, and "Prevention of Labor Disputes and Corporate Governance (Including Gender Equality in Employment Act)" for 3 hours, totaling 12 hours. (8) Mr. Hsin-Kai Kung, Corporate Governance Officer (concurrent position), attended the "Continuing Education for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges" training course held by the Accounting Research and Development Foundation on July 26, 2024, for 12 hours. On October 17, 2024, he attended "How Enterprise Digital Transformation Can Balance Intelligent Security Risks to Create a Triple Win" training course for 3 hours and "Legal Matters That the Board of Directors Should Understand: Carefully	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			Avoiding Red Lines of Concerted Actions and Preventing Insider Trading" training course for 3 hours, both held by the Taiwan Corporate Governance Association. On October 18, 2024, he attended "Integrity Management and Anti-Corruption from a Sustainability Governance Perspective" training course for 3 hours and "Labor Dispute Prevention and Corporate Governance (Including Gender Equality in Employment Act)" training course for 3 hours, both held by the Taiwan Corporate Governance Association. On November 11, 2024, he attended "Corporate Merger and Acquisition Practices and Case Analysis" training course for 3 hours and "Current Global Economic and Financial Situation" training course for 3 hours, both held by the Taiwan Corporate Governance Association, for a total of 30 hours. Continuing educations of internal audit	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			officer and accounting officer: (1) LI, WEI-HSIN, assistant manager of Internal Audit On September 10, 2024, he participated in "Information Business Audit Practice Workshop" organized by The Institute of Internal Auditors, for six hours; on October 17, 2024, "Implementation of 'ESG' and 'Internal Audit and Internal Control Integration' Applications and Examples" organized by The Institute of Internal Auditors, for six hours; on October 18, 2024, "Discussing Integrity Management and Anti-Corruption from a Sustainability Governance Perspective" organized by Taiwan Corporate Governance Association, for three hours. A total of 15 hours of training (2) Accounting Officer Tzu-Yuan Pei, senior manager On August 29-30, 2024, she participated in	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			the Accounting Executive Program organized by Shih Chien University, which included courses on "ESG Evaluation and Practical Applications," "Fraudulent Financial Statements and Market Turbulence," "Essential Tax Issues and Practical Solutions," and "Analysis of Legal Responsibilities for Accounting Executives and Management," completing a total of twelve hours of continuing education (V) In the face of uncertain risks in business operations, in addition to formulating the "Risk Management Guidelines" as the highest guiding principle for corporate risk management, FIRST STEAMSHIP identifies significant environmental, social and economic themes related to the company's operations annually through an on-line questionnaire based on the principle of materiality, and proposes strategies	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			to address potential negative impacts to the company based on these themes. FIRST STEAMSHIP also plans to report to the Board of Directors on its ESG risk response at least once a year to enable the Board of Directors to further oversee the company's control of actual or potential risks. (VI) The Company has established various internal management measures and internal control systems to manage operational risks. It has appointed a head of corporate governance to coordinate and supervise the implementation of risk management policies and internal control systems, as well as auditors to inspect and evaluate the implementation of various internal control systems. (VII) The Company has purchased liability insurance of US$10 million for the directors and supervisors concerned.	

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
IX. Please describe the improvements that have been made in response to the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange in the last year, and propose priorities and measures for those not yet improved: The Company will carry out the following improvements. (I) The Company intends to add at least one female director at the 2026 shareholders' meeting at the latest and will continue to strive to have the Board of Directors comprise at least 3 female directors in the future, so as to meet the gender equality requirements of the Corporate Governance Roadmap 3.0.				

(IV) The Remuneration Committee’s composition, responsibilities, key annual tasks, operation

The Company’s Remuneration Committee was established on December 27, 2011, with three members. The Committee's main responsibilities and key annual tasks are to evaluate the remuneration policies and systems of the Company's directors, supervisors and officers, and to make recommendations to the Board of Directors for their reference in making decisions.

The Board of Directors appointed 3 people, Mr. Hsin-Kai Kung, Mr. Ching-Chih Tieh, and Mr. Po-Cheng Ko, as members of the second remuneration committee of the Company for the same term of office from July 3, 2014 to June 19, 2017 as the Board of Directors that appointed them. Mr. Hsin-Kai Kung was elected by all members from among themselves as the convener and chair of the meeting.

The Board of Directors appointed 3 people, Mr. Jui-Chun Yu, Mr. Tseng-Ping Chao, and Mr. Hsin-Kai Kung, as members of the third remuneration committee of the Company for the same term of office from July 3, 2017 to June 20, 2020 as the Board of Directors that appointed them. Mr. Jui-Chun Yu, the original committee member, resigned due to personal factors before the by-election of the shareholder meeting held on June 29, 2018. Mr. Man-Sheng Huang, the new committee member, succeeded him in the by-election of the shareholder meeting held on June 29, 2018.

The Board of Directors appointed 3 people, independent directors, Mr. Tseng-Ping Chao, Mr. Hsin-Kai Kung, and Mr. Jung-Tsung Yang as members of the fourth Audit Committee of the Company for the period from June 30, 2020 to June 17, 2023, which is the same as the term of the Board of Directors that appointed them, and the original committee member, Mr. Hsin-Kai Kung, resigned due to personal factors on May 16, 2022. The newly appointed committee member, Mr. Ping-Sum Lui succeeded him in the by-election of the shareholders' meeting held on June 24, 2022, and Mr. Tseng-Ping Chao was elected from among all members as the convener and chair of the meeting.

The Board of Directors appointed 4 people, independent directors, Mr. Jung-Tsung Yang, Mr. Ping-Sum Lui, and Mr. Jaime Che, as members of the 5th remuneration committee of the Company for the same term of office from August 14, 2023 to June 15, 2026 as the Board of Directors that appointed them. Mr. Tseng-Ping Chao was elected by all members from among themselves as the convener and chair of the meeting.

1. Information on the members of the Remuneration Committee

(1) Information on the members of the Remuneration Committee

March 31, 2025

Criteria / Position (Note 1)	Name	Professional qualification and experience (Note 2)	Status of Independence (Note 3)	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director Convener (Re-elected on August 14, 2023)	Tseng-ping Chao	Graduated from Texas A&M University Master of Science in Finance. Experience: Union Capital (Taiwan) Asset Management co./ chairman and general manager Ruizi Securities Investment Consulting (Stock) Company, director Private Banking Department, The Hongkong and Shanghai Banking Corporation, Taipei Branch/vice president Credit Lyonnais Securities Asia Taipei/Senior Investment Advisor (Professional experience in finance and business 36 years) Current position: Union Capital (Taiwan) Asset Management co./ chairman and general manager Work experiences and professional knowledge and skills in business, finance, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Position (Note 1)	Name	Professional qualification and experience (Note 2)	Status of Independence (Note 3)	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director Member (Re-elected on August 14, 2023)	Jung-Tsung Yang	Passed the Examination for Lawyersandthe Special Examination for Judicial Officers. Graduated from the Department of Law of National Taiwan University, master of the Graduate School of Political Science, National Taiwan University. Experience: Attorney, Taipei District Court, Taiwan; Attorney, Office of the Ministry of Justice; Director of the Taipei District Court, Taiwan; Attorney, Taiwan High Court, Taiwan; Head of the Special Investigation Section, Supreme Court Prosecutor's Office; Spokesperson; 2013 model public servant in the Ministry of Justice; Judicial Officer Academy, Ministry of Justice; Foreign Service Institute, Ministry of Foreign Affairs; Chair, Judicial College, Judicial Yuan; President, Hengsheng Law Firm. (33 years of professional experience in legal affairs and business) Current position: Hengsheng Law Firm/president CTBC Bank/director Work experiences and professional knowledge and skills in business, legal affairs, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Position (Note 1)	Name	Professional qualification and experience (Note 2)	Status of Independence (Note 3)	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director Member (Re-elected on August 14, 2023)	Ping-Sum Lui	CPA of the Hong Kong Institute of Certified Public Accountants Department of Accounting, The Chinese University of Hong Kong. Experience: Argyle Street Management Limited /Partner BDA Partners/Senior Manager Dah Chong Hong Holdings Limited/ Senior chief of the Business Analysis Department PwC / senior auditor (24 years of professional experience in accounting, finance, and business) Current position: Argyle Street Management Limited /Partner Work experiences and professional knowledge and skills in business, financial, accounting or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Position (Note 1)	Name	Professional qualification and experience (Note 2)	Status of Independence (Note 3)	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director Member (Assuming office on August 14, 2023)	Jaime Che	The University of New South Wales,Australia Study Bachelor of Business program, Graduated from 1996~1999 THE SCOTS COLLEGE。 Experience: Director of British Guayman Islands, Shang Likai Electric Energy Technology Co., Ltd. 43rd board of directors/vice chairman, Hong Kong YAN OI TONG 42nd board of directors/general manager, Hong Kong YAN OI TONG Executive director/CEO, FDG Kinetic Limited Executive director/CEO, FDG Electric Vehicles Limited Executive director special assistant and investor relations manager, Hong Kong Fushan International Energy Group Co., LTD (Professional experience in finance and business 16 years) Work experiences and professional knowledge and skills in business, finance, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Note 1： Please specify the relevant years of service, professional qualifications and experience, and independence of each Remuneration Committee member in the table. Please refer to this Annual Report, Three. Corporate Governance Report II. (I) Information on directors. Please indicate whether the individual is an independent director or other for the field of Position (please add a note for the convener).

Note 2： Professional qualifications and experience: Specify the professional qualifications and experience of each member of the Remuneration Committee.

Note 3： The status of the independence: The status of the independence of Remuneration Committee members should be stated, including, but not limited to, whether they, their spouse or relatives within second degree of kinship are directors, supervisors or employees of the Company or its affiliates; the number and proportion of shares held by them, their spouses or relatives within second degree of kinship (or in the name of others); and whether they are directors of companies with specific relationship with the Company (refer to Article 6, Paragraph 1, Subparagraph 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange) The amount of remuneration they received from the Company or its affiliates for business, legal, financial and accounting services in the last two years.

Note 4： Please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange for disclosure methods.

2. Information on the operations of the Remuneration Committee

(1) There are 4 members of the 5th Audit Committee.

(2) The term of office of the current members is from August 14, 2023 to June 15, 2026, and all members are independent directors of the Company.

The most recent annual Remuneration Committee met 3 times (The 5th term), and the qualifications and attendance of the members are as follows:

Title	Name	Number of times of attendance in person	Number of times of attendance by proxy	% of attendances in person	Remarks
Convener of independent directors	Tseng-ping Chao	2	1	67	Re-elected Date of re-election: August 14, 2023 (Members elect from among themselves)
Independent director member	Jung-Tsung Yang	3	0	100	Re-elected Date of re-election: August 14, 2023
Independent director member	Ping-Sum Lui	3	0	100	Re-elected Date of re-election: August 14, 2023
Independent director member	Jaime Che	3	0	100	Newly appointed (Note) Date of re-election: August 14, 2023

Note: As a member of the Fifth Remuneration Committee, four seats were allocated to the new independent directors who were elected on June 16, 2023 for the current term.

※The Company expects to add an independent director if the chairperson and general manager are still the same person when the board directors are fully re-elected in June 16, 2023, in order to strengthen the independence of the Board of Directors and comply with regulations. There are 7 directors, only 3 of which have the status of employees or managers, and at the same time meet the requirement that a majority of the directors should not also be employees or managers, while the remaining 4 are all independent directors with more than one-half of the number of seats on the Board of Directors, so the Board of Directors still maintains its objectivity in decision-making.

Other matters to be recorded:

I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it should state the date, period, proposal content, resolution of the board, and its handling of the committee's opinions (if the remuneration approved by the board is better than the recommendation proposed by the committee, the difference and reasons should be stated): No such situation.

II. For the proposals by the Remuneration Committee. If any members have objections or reservations with records or written statements, the date, period, proposal content, the opinions of all members, its handling of the members' opinions should be stated: No such situation.

III. Important resolutions of the Remuneration Committee for the current year and their implementation:

Date	Meeting Session	Item order	Important resolution	Resolutions of the Remuneration Committee	The Company's handling of the Remuneration Committee's opinions
February 2, 2024	5th term 2nd session	1	Approved the Company's plan to pay the year-end bonus to the managerial officers for 2023.	Approved as proposed with no objection from any members present	Not applicable
March 31, 2023	5th term 3rd session	1	Approved the company's 2023 employee and director remuneration payment case.	Approved as proposed with no objection from any members present	Not applicable
December 18, 2024	5th term 4th session	1	Approved the proposal the monthly remuneration to directors, independent directors and audit committee members of the Company.	Approved as proposed with no objection from any members present	Not applicable
		2	Approved the periodic review of the remuneration of the Company's managerial officers.	Approved as proposed with no objection from any members present	Not applicable

IV. The term of office of the 5th Remuneration Committee is from August 14, 2023 to June 15, 2026, and the total number of meetings in 2024 was 3.

(V) Background information on Nomination Committee members and operation of the Nomination Committee

1. Nomination Committee members' qualifications for appointment, and their duties:

The Company has set up the Nomination Committee and staffed it with three members according to the resolution reached at the Board of Directors meeting dated December 15, 2022; all three members, including 21st independent director Tseng-Ping Chao, independent director Jung-Tsung Yang, and independent director Ping-Sum Lui, were hired to serve as members of the Company's 1st Nomination Committee for the term from December 15, 2022 to June 17, 2023, which was the same as the term of the Board of Directors that appointed them. Mr. Tseng-Ping Chao was elected as convener and chair of the meeting from among the members themselves. The Committee may hold a meeting any time where necessary.

The Board of Directors appointed 4 people, independent directors, Mr. Jung-Tsung Yang, Mr. Ping-Sum Lui, and Mr. Jaime Che, as members of the 2nd Nomination Committee of the Company for the same term of office from August 14, 2023 to June 15, 2026 as the Board of Directors that appointed them. Mr. Tseng-Ping Chao was elected by all members from among themselves as the convener and chair of the meeting.

The main responsibilities are to consider or deal with the following matters:

(1) Nominate the Company's directors, and review the qualifications of director candidates.

(2) Create the organizational structure of the various functional committees under the Board of Directors, and review the formulation and revision of the charter of each functional committee.

(3) Review the formulation and revision of the regulations governing the operation of the Board of Directors.

(4) Review the Company's "Corporate Governance Best Practice Principles".

(5) Others tasks assigned to this committee by the Board of Directors.

2. Professional qualifications and experience of Nomination Committee members and the operation of the Nomination Committee

(1) Information on the members of the Nomination Committee:

March 31, 2025

Criteria / Position (Note 1)	Name	Professional qualification and experience (Note 2)	Status of Independence (Note 3)	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director Convener (Re-elected on August 14, 2023)	Tseng-ping Chao	Graduated fromTexas A&M University Master of Science in Finance. Experience: Union Capital (Taiwan) Asset Management co./ chairman and general manager Ruizi Securities Investment Consulting (Stock) Company, director Private Banking Department, The Hongkong and Shanghai Banking Corporation, Taipei Branch/vice president Credit Lyonnais Securities Asia Taipei/Senior Investment Advisor (Professional experience in financeand business 36 years) Current position: Union Capital (Taiwan) Asset Management co./ chairman and general manager Work experiences and professional knowledge and skills in business, finance, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Position (Note 1)	Name	Professional qualification and experience (Note 2)	Status of Independence (Note 3)	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director Member (Re-elected on August 14, 2023)	Jung-Tsung Yang	Passed the Examination for Lawyersandthe Special Examination for Judicial Officers. Graduated from the Department of Law of National Taiwan University, master of the Graduate School of Political Science, National Taiwan University. Experience: Attorney, Taipei District Court, Taiwan; Attorney, Office of the Ministry of Justice; Director of the Taipei District Court, Taiwan; Attorney, Taiwan High Court, Taiwan; Head of the Special Investigation Section, Supreme Court Prosecutor's Office; Spokesperson; 102 model public servant in the Ministry of Justice; Judicial Officer Academy, Ministry of Justice; Foreign Service Institute, Ministry of Foreign Affairs; Chair, Judicial College, Judicial Yuan; President, Hengsheng Law Firm. (33 years of professional experience in legal affairs and business) Current position: Hengsheng Law Firm/president CTBC Bank/director Work experiences and professional knowledge and skills in business, legal affairs, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates. The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Position (Note 1) Name		Professional qualification and experience (Note 2)	Status of Independence (Note 3)	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director Member (Re-elected on August 14, 2023)	Ping-Sum Lui	CPA of the Hong Kong Institute of Certified Public Accountants Department of Accounting, The Chinese University of Hong Kong. Experience: Argyle Street Management Limited /Partner BDA Partners /Senior Manager Dah Chong Hong Holdings Limited/ Senior chief of the Business Analysis Department PwC / senior auditor (24 years of professional experience in accounting, finance, and business) Current position: Argyle Street Management Limited/Partner Work experiences and professional knowledge and skills in business, financial, accounting or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

Criteria / Position (Note 1)	Name	Professional qualification and experience (Note 2)	Status of Independence (Note 3)	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director Member (Assuming office on August 14, 2023)	Jaime Che	The University of New South Wales, Australia Study Bachelor of Business program, Graduated from 1996~1999 THE SCOTS COLLEGE。 Experience: Director of British Guayman Islands, Shang Likai Electric Energy Technology Co., Ltd. 43rd board of directors/vice chairman, Hong Kong YAN OI TONG 42nd board of directors/general manager, Hong Kong YAN OI TONG Executive director/CEO, FDG Kinetic Limited Executive director/CEO, FDG Electric Vehicles Limited Executive director special assistant and investor relations manager, Hong Kong Fushan International Energy Group Co., LTD (Professional experience in finance and business 16 years) Work experiences and professional knowledge and skills in business, finance, or related areas required for the Company's business Not a person with any of the circumstances under Article 30 of the Company Act.	Not an employee, director, or supervisor of the Company or its affiliates within two years prior to his/her appointment and during his/her term of office. None of the individual's spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship is an employee, director, supervisor, or managerial officer of the Company or its affiliates. The total number of issued shares of the Company held by the individual and its spouse, minor children or in the name of others is 0 share. Not a director, supervisor or employee of a company with which the Company has a specific relationship. No remuneration received for the provision of business, legal, financial, and accounting services to the Company or its affiliates in the last 2 years. The individual is not related to other directors as a spouse or a relative within second degree of kinship and not elected by or on behalf of the government or a juristic person as provided in Article 27 of the Company Act.	None

(2) Information on the operation of the Nomination Committee

(i) There are 4 members of the 2nd Nomination Committee.

(ii) The term of office of the current members is from August 14, 2023 to June 15, 2026, and all members are independent directors of the Company.

The most recent annual Nomination Committee met 3 times (The 2nd term), and the professional qualifications and attendance of the members and the matters discussed are as follows:

Title	Name	Major expertise	Number of times of attendance in person (B)	Number of times of attendance by proxy	(%) attendances in person (B/A)(Note)	Remarks
Independent director Member Convener	Tseng-ping Chao	Business administration, finance, corporate governance	2	1	67	Re-elected Date of re-election: August 14, 2023 (Members elect from among themselves)
Independent director Member	Jung-Tsung Yang	Law, corporate governance	3	0	100	Re-elected Date of re-election: August 14, 2023
Independent director Member	Ping-Sum Lui	Finance, marketing, Corporate Governance	3	0	100	Re-elected Date of re-election: August 14, 2023
Independent director Member	Jaime Che	Finance, marketing, Corporate Governance	3	0	100	Newly appointed(Note) Date of re-election: August 14, 2023

Note: As a member of the Fifth Remuneration Committee, four seats were allocated to the new independent directors who were elected on June 16, 2023 for the current term.

※The Company expects to add an independent director if the chairperson and general manager are still the same person when the board directors are fully re-elected in June 16, 2023, in order to strengthen the independence of the Board of Directors and comply with regulations. There are 7 directors, only 3 of which have the status of employees or managers, and at the same time meet the requirement that a majority of the directors should not also be employees or managers, while the remaining 4 are all independent directors with more than one-half of the number of seats on the Board of Directors, so the Board of Directors still maintains its objectivity in decision-making.

Other matters to be recorded:

I. For any major motion put before the nomination committee, specify the meeting date, meeting session number, content of the motion, content of recommendations or dissenting opinions of the nomination committee members, the outcome of the resolution of the nomination committee, and the measures taken by the Company with respect to the nomination committee members' opinions: No such occurrence.

II. Important resolutions of the Nomination Committee for the current year and their implementation:

Date	Meeting Session	Item order	Important resolution	Resolution of the Nomination Committee	The Company's handling of the Nomination Committee's opinions
March 28, 2024	2nd term 2nd session	1	Approved to amend part of the text of the Company's "Audit Committee Organization Regulations".	Approved as proposed with no objection from any members present	Not applicable
		2	Approved to amend some articles of the Company's "Board of Directors' Rules of Procedures".	Approved as proposed with no objection from any members present	Not applicable
		3	Approved the proposal to amend some articles of the Company's "Code of Practice on Corporate Governance".	Approved as proposed with no objection from any members present	Not applicable
		4	Passed the planned amendments to certain provisions of the Company's "Rules of Procedure for Shareholders' Meetings".	Approved as proposed with no objection from any members present	Not applicable
November 13, 2024	2nd term 3rd session	1	Reported on the performance evaluation and implementation results of the operations of the Board of Directors from November 2023 to October 2024.	Approved as proposed with no objection from any members present	Not applicable
December 13, 2023	2nd term 4th session	1	Approved the proposal to amend some articles of the Company's "Code of Practice on Corporate Governance".	Approved as proposed with no objection from any members present	Not applicable

III. The term of office of the 2nd Nomination Committee is from August 14, 2023 to June 15, 2026, and the total number of meetings in 2024 was 3.

Note:

(1) If any nomination committee member left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of nomination committee meetings held and the number they attended in person during the period they were on the committee.

(2) If any by-election for nomination committee members was held before the end of the fiscal year, the names of the new and old committee members should be filled in the table, with a note stating whether the member left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of nomination committee meetings held and the number attended in person during the period of each such person's actual time on the committee.

(VI) Promotion of sustainable development and differences from the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons therefor.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
I. Implementation of corporate governance Has the Company set up a full-time (part-time) unit to promote sustainable development, together with senior management authorized by the Board of Directors to handle related matters and report to the board on the handling of the matters?	✓		The Company has created a governance structure and set up a full-time unit to promote sustainable development. The top management is authorized by the Board of Directors to handle sustainable development matters: With the Chairperson being the convener and the corporate governance officer being the coordinator, the committee meets quarterly to discuss ESG issues. Meeting notice, attendance book, and meeting minutes are all archived for future reference. The current practice is to formulate a decision through discussion between the chief of the responsible units and the top management, and to execute the decision according to the authority table approved by the Board of Directors. If necessary, matters may report to the Board of Directors for discussion. On January 17, 2024, we confirmed and completed the contractual appointment of KPMG as the consultant for the Company's greenhouse gas (GHG) inventory and inspection, and on February 29, 2024, we implemented personnel education and training for GHG inventory and inspection. On January 17, 2014, we confirmed and signed a contract to appoint KPMG as the company's greenhouse gas inventory and verification consultant, and on February 29, 2014, we implemented	No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			greenhouse gas inventory and verification personnel education and training. On March 28, 2014, the Board of Directors submitted the implementation plan and report on the greenhouse gas inventory and verification of the Group's subsidiaries. The company's management team decided to appoint KPMG as a coaching consultant to comply with the requirements of the competent authorities (the board members asked during the meeting whether the current implementation status is going smoothly). On June 18, 2014, the board of directors submitted a report on the inventory of greenhouse gas emissions. With the guidance of consultants from Anhou Jianye Joint Accounting Firm, an inventory of Yihang Company's greenhouse gas emission sources has been conducted and a greenhouse gas inventory list has been established. Currently, data from various emission sources are being collected. That will continue. During the Board meeting, members inquired whether there were any difficulties in data collection or personnel unable to accurately compile statistics. It was suggested that consultants should regularly visit the Company to provide guidance and conduct reviews. On October 16, 2024, the Board reported that all consolidated subsidiaries must conduct greenhouse gas inventories next year. The Company will contact KPMG consultants to discuss education and training for subsidiaries and on-site	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			inspection operations. (During the Board meeting, members reminded that since this involves information disclosure between parent and subsidiary companies, special attention must be paid to time-line management). On January 17, 2025, the Board was informed that a meeting was held with personnel responsible from subsidiaries on December 24, 2024, to discuss greenhouse gas inventory operations. Education and training for subsidiaries on greenhouse gas inventory is scheduled for mid-February, followed by the commencement of various data collection activities. (During the Board meeting, directors reminded that education, training, and operational efficiency should be thoroughly implemented to facilitate smooth subsequent consolidation). The Board of Directors reported on March 14, 2025, that the parent company completed its greenhouse gas inventory internal audit operations on January 22, the 2024 greenhouse gas inventory operations on February 18, and greenhouse gas inventory education and training for subsidiaries on February 25. Following the training, verification of various emission sources commenced, with preliminary inventory results discussions and revisions for each subsidiary scheduled for mid to late March. (Board members suggested that each subsidiary submit monthly reports on actual implementation status to help the parent company	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			monitor progress effectively). The status and results of implementation in 2024 was reported at the 20th meeting of the 3rd Audit Committee and the 21th meeting of the 22nd Board of Directors on December 13, 2024.	
II. The development of a sustainable environment Does the Company conduct risk evaluations on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle and formulate relevant risk management policies or strategies (Note 2)	✓		The Company has established "Risk Management Guidelines" and has been promoting related operational matters. Under the Risk Management Guidelines, the Company adopts rolling adjustments from time to time and makes timely risk avoidance and strategy adjustments by taking into account the current macro and micro economic and social development of the country. The Company's Board of Directors meeting dated May 14, 2018 resolved to pass the Risk Management Rules, which was disclosed on the Company's official website under the "Regulations" tab for reference. The Company has established "Risk Management Guidelines" and has been promoting related operational matters. Under the Risk Management Guidelines, the Company adopts rolling adjustments from time to time and makes timely risk avoidance and strategy adjustments by taking into account the current macro and micro economic and social development of the country. The Company's Board of Directors meeting dated May 14, 2018 resolved to pass the Risk Management Rules, which was disclosed on	No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			the Company's official website under the "Regulations" tab for reference. Current operation status is as follows: 1. Each unit is accountable for risk management, and shall separately assess the source of risks facing them, and identify, monitor, report, and disclose the risks, and shall submit a monthly management report for confirmation and management purposes. The risk control duties of each department are as follows: General Administration Division: Legal compliance; control of ESH operation risks. Investment Division: Control of investment and credit risks. Treasury Division: Control of financial risks, e.g., financing and exchange rates. Accounting Division: Control of overdue accounts receivable according to the aging analysis; assessment of tax risks. Marine Transportation Business: Assessment of risks incidental to operating performance and voyage safety. Department Store Business Unit: Control of risks pertaining to operational performance. Real Estate Business Unit: Control of risks pertaining	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			to operational performance. 2. The responsible units hold a review meeting monthly, and at any time if necessary. 3. The Accounting Division compiles the information provided by each responsible unit into a monthly management report at the disposal of the Chairperson, President, or CFO for reference for decision-making. 4. The consolidated report on risk management implementation for 2024 was presented at the 3rd session's 17th Audit Committee meeting and the 22nd session's 18th Board of Directors meeting on October 16, 2024. (Board members raised the question of whether climate change poses significant risks to the shipping and department store businesses. The responsible unit responded: Both business entities are primarily leasing operations, with Scope 1 and Scope 2 emissions having no material impact on the Group's finances or operations. Nevertheless, we continue to effectively manage existing emission sources). 5. The Risk Management Unit has provided a comprehensive overview of the risk control implementation for 2024. The implementation was completed in August 2024, and after thorough discussion, the assessment content was approved without objection.	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			Note: 2024 Summary of risk management scope and organizational operation in tabular format (see the official website).	
III. Environmental Issues (I) Has the Company set up an appropriate environmental management system based on the characteristics of its industry?	✓		(I) The Company maintains working environments in accordance with public safety building regulations, fire safety regulations, labor health and safety regulations, the Waste Disposal Act, and energy conservation and carbon reduction management regulations. The Group's vessels are managed in compliance with the United Nations' International Maritime Organization regulations with the commitment to reducing marine pollution and air pollution.	(I) No major difference.
(II) Is the Company committed to improving the efficiency of resource utilization and using recycled materials with low impact on the environment?	✓		(II) The Group has obtained the certificates of compliance with the International Safety Management Code for all the vessels. Vessels are equipped with the necessary equipment in accordance with marine environmental protection regulations. For example, the engine room is equipped with a sewage treatment machine, an oil-water separator and an incinerator, and each fuel pipeline interface is equipped with an oil catch pan to prevent oil from dripping and leaking	(II) No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			so as to avoid pollution of the ocean or port waters. All anti-pollution equipment is inspected by the surveyor of the International Association of Classification Societies every year to ensure its proper operation. Newly built vessels are equipped with environmentally friendly and energy-saving host machines, carbon dioxide with low sulfur content; and ballast water treatment system and sewage discharge treatment system to avoid endangering marine life. Offices have been switched to more energy-efficient LED lamps, and with proper lighting, the number of lamps has been reduced while the main light sources during lunch break and after-hours are turned off. Implement waste sorting and resource recycling to put environmental protection policies into effect.	
(III) Does the Company evaluate the potential risks and opportunities of climate change to the Company now and in the future, and take corresponding measures to respond to climate related issues?	✓		(III) Discussion and management of climate change-related issues are held through ESG group meetings. The risks and opportunities related to climate change are as follows: ※Transformation risk: a. The trend of low-carbon economy has led to an increase in company operating costs and an increase in the rigor of green management of the supply chain	(III) No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			※Physical risk: a. In the future, the global climate temperature will continue to rise, which will lead to an increase in the electricity cost of the business site. b. Power and water restrictions lead to increased customer dissatisfaction. ※Opportunity: Achieve sustainable operation through green building, energy saving and carbon reduction planning. The Company will continue to pay attention to the market situation in response to the abnormal global climate that may cause peak seasons to be less robust and consequently affect business and operations. In addition, all vessels are equipped with weather navigation systems, and experienced captains and shore personnel monitor the weather information constantly and report back to each other in a cooperative way to minimize risks. ※Response measures: 1. Committed to improving the utilization efficiency of energy, paper, water and other resources, using recycled materials with low impact on the environment, and at the same time properly maintaining the use of assets to implement a low-carbon office. 2. Practice responsible investment and green	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			procurement, and give priority to purchasing products with environmental protection and energy saving labels, reusable supplies and energy-saving equipment. 3. Provide high-quality goods, services and activities in compliance with domestic and foreign environmental protection laws and regulations. 4. Share environmental protection knowledge and experience with company employees and suppliers, deepen awareness of sustainable development, and work with partners from all walks of life to jointly maintain environmental sustainability. 5. Obtain the CII certificate and continue to manage the fuel consumption of the fleet according to SEEMP, so as to meet the assessment level of at least C after the official implementation of the CII in 2023 ※Energy-saving measures of F.S.C.L and Dayang Commercial Group Taipei Office: 1. Require the office to turn off the lights during the lunch break, and turn off the lights and air conditioners after get off work. 2. Strengthen energy-saving publicity, and all employees participate in energy-saving actions to reduce unnecessary waste of electricity. ※Energy-saving measures of Dayang Commercial Group's mainland shopping malls:	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			1. Energy-saving transformation of lamps and lanterns in shopping malls, and gradually adopt LED lamps for the original electronic lamps and T5 lamps. 2. Energy-saving transformation of air-conditioning equipment. In shopping malls, air-conditioning accounts for about 30- -40% of electricity consumption. Each store adjusts the opening time of air-conditioning according to the weather conditions to continuously reduce the electricity consumption of air-conditioning systems. 3. Strengthen energy-saving publicity, and all employees participate in energy-saving actions to reduce unnecessary waste of electricity. 4. Promoting green buildings, improving building energy efficiency and strengthening the implementation of low-carbon life can reduce the demand for electricity and power generation. ※Indicators and Targets: 1. Reduce the intensity of energy and greenhouse gas emissions 2. Promote green building design projects for new shopping malls	
(IV) Does the Company make statistics on greenhouse gas emissions, water	✓		(IV) The Company has complied with international regulations and conventions to reduce sulfur content	(IV) No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
consumption and the total weight of waste for the past two years, and formulate policies for energy conservation and carbon reduction, greenhouse gas reduction, water consumption reduction or other waste management?			and carbon dioxide emissions of vessel fuel to fulfill its responsibility for environmental protection, energy conservation and carbon reduction. *In 2023, First Steamship's commercial office Category One emissions inventory was 0.5008 metric tons of CO2e (Scope I), while in 2024, First Steamship's commercial office Category One emissions inventory was 19.7703 metric tons of CO2e (Scope I). (The difference between the two periods is 19.2695 metric tons of CO2e, attributable to increased cooling equipment usage in the office building and increased fuel consumption by company vehicles) ※Quantitative management targets for greenhouse gas emissions in the future: Indicator 1: 2025 (Short-term) Complete the greenhouse gas inventory for the individual company and establish 2024 as the base year for the individual company. 2026 (Short-term) Complete greenhouse gas inventory for subsidiaries included in consolidated financial statements and establish 2025 as the base year for subsidiaries included in consolidated financial statements.	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			Indicator 2: Completion of individual GHG inventory in 2027 (medium-term). Completion of GHG inventory of the subsidiaries in consolidated financial statements in 2028 (medium-term). Expected GHG reduction of 15% by 2030 (mid-term). Indicator 3: Expected GHG reduction of 30% by 2040 (mid-term). Expected GHG reduction of 50% by 2050 and carbon neutrality.	
IV. Social Issues (I) Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations as well as the International Bill of Human Rights?	✓		(I) The Company abides by relevant labor laws and regulations and has established relevant management rules to protect the legitimate rights and interests of employees. The promotion of corporate policies and the understanding of employees' opinions are carried out through open two-way communication. FIRST STEAMSHIP respects and supports local regulations and laws pertaining to labor rights, so as to ensure colleagues' legal rights. In addition, by referencing the human rights protection virtue and fundamental principles at work that are emphasized in the various international bill of human rights, including "The United Nations Global Compact", "UN Universal	(I) No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			Declaration of Human Rights", and "International Labor Organization Declaration on Fundamental Principles and Rights at Work", FIRST STEAMSHIP has formulated its human rights policy, and carried out the following measures: 1. The Company profits wrongful discrimination and ensures equal access to employment; it has further set up an employee grievance filing channel, a sexual harassment prevention system, and a whistleblowing e-mail box to ensure employees' human rights. 2. Provision of a healthy and safe workplace: The Company carries out occupational safety training, health promotion lectures, and fire safety training, and further organizes a health check-up for all employees every year, to ensure their safety and health. 3. The Company helps employees maintain their health and strike a balance between work and life: provision of an afternoon tea break, and care for their daily lives. 4. Creation of an environment conductive to communication, and respect for employees freedom of assembly and association: Employees' opinions expressed at the quarterly	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			labor-management meeting are gathered and discussed. In addition, the Company has set up its Employee Welfare Committee, and allocates a portion of operating revenue every year as welfare fund requisite for realization of the various welfare measures. Furthermore, the Company regularly meets to discuss employees' welfare measures and formulate relevant management rules, so as to uphold employees' legal rights and interests. Dissemination of company policy and understanding of employees' opinions are both carried out via two-way communication.	
(II) Whether the Company has formulated and implemented reasonable employee welfare measures (including remuneration, vacation and other benefits, etc.), and appropriately reflects operating performance or results in employee remuneration?	✓		(II) The Company has HR management measures and work rules, including employee welfare measures, employee salary appraisal, leave and attendance related regulations, etc., to assess rewards and punishments and to appropriately reflect work performance or results in employee remuneration.To meet the regulatory welfare requirements and formulate a fair, transparent remuneration policy, FIRST STEAMSHIP, aside from providing a remuneration system that is both assuring and stimulating, also offers generous benefits so that	(II) No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			employees can concentrate on work and big bonus so that employees can continue to improve themselves. 1. Fair and just remuneration standards correlated with occupational competency 2. Regular, transparent performance evaluation and bonus systems. 3. captains and shore personnel monitor the weather information constantly and 4. Employee welfare guaranteed by the welfare unit. The Company strives to achieve workplace diversity and equality, and offers equal access to men and women alike to promotion. In 2024, female employees accounted for 54.17% of total employees, and female managers accounted for 43.75% of all managers. According to Article 31 of the Company's Articles of Incorporation, if the Company makes profits during the year (i.e., profits before tax inclusive of profits to be distributed as employee compensation and director compensation), no less than 1% of such profits should be appropriated as employee compensation, aiming to share the Company's operating profits with employees according to their performance, so that their remuneration will grow in tandem with the Company's operating performance. In addition, the Company has put in place some internal regulations,	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			e.g., Code of Ethical Conduct, and Ethical Corporate Management Best Practice Principles, so as to align employees' conduct with legal requirements, thereby facilitating sustainable development.	
(III) Does the Company provide employees with a safe and healthy working environment and related education?	✓		(III) The Company has safety and health management personnel and has set up various safety measures such as fire-fighting facilities, emergency evacuation routes and notification systems to prevent accidental disasters. In accordance with requirements of the Labor Safety and Health Act and the MLC Code for ships, the Labor Safety and Health Work Rules have been established, and warning signs are marked on dangerous equipment to require employees to be in full compliance to ensure a safe working environment. Implement regular maintenance of elevator and fire fighting facilities, strengthen access control, and arrange labor safety and fire fighting training and health inspection to protect employees' health and safety. As for the "Sexual Harassment Prevention Act," in addition to strengthening educational propaganda, there are also complaints and disciplinary measures to protect employees. In 2024, the number of fire disasters in First Steamship was zero and the number of casualties was	(III) No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			zero. In response to and in anticipation of fire hazards, the Company has set up fire detection devices, automatic sprinkler systems and placed fire extinguishers (cylinders), escape exit guide signs and keep the escape exits unobstructed, organized safety and health education training from time to time and required every employee to participate in order to reduce the chance of accidents, implemented fire safety drills and CPR education training for employees every year, and hired external professional organizations to inspect fire equipment (including office interior and exterior around the entire building) three times per year to ensure the safety of life, property and the work environment. Therefore, in 2024, First Steamship had no record of occupational accidents, complaints, occupational diseases, or infections among employees. On June 13, 2014, we hired a lecturer from the Taiwan Disaster Prevention and Escape Association to provide education and training to our employees. The course on "Fire Safety Prevention and Workplace Safety Protection Education and Training" lasted a total of 4 hours, with 30 people in attendance. On January 20, 2015, we hired the Taiwan Public Safety Disaster Prevention Education Center to provide	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			education and training to our employees. The course on "Fire Safety Education and CPR/AED Training" lasted a total of 1 hour, with 33 people in attendance.	
(IV) Has the Company established an effective career development training program for employees?	✓		(IV) In order to enhance the professional knowledge, skills and development advantages of employees, the Company requires them to attend external training courses from time to time; Sea crew also perform various professional drills from time to time. Continuous learning, cultivation and training are conducive to the career development of employees. At FIRST STEAMSHIP, new employees will undergo an orientation training organized by the HR, followed by a professional training by each department based on the technical requirements for their job. The HR also produces statistics and conducts a survey with respect to the trainings every year, to ensure that employees receive quality cultivation and obtain diversified development potential and are thereby able to grow in tandem with FIRST STEAMSHIP FIRST STEAMSHIP's employees trained for 23.23 hours on average in 2024. FIRST STEAMSHIP remains diligent in providing more on-the-job training resources and channels to employees; it will keep participating in government programs to provide more	(IV) No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			diversified coursed at the option of employees. FIRST STEAMSHIP believes that a clear and stable career path helps cultivate and retain talents.	
(V) Does the Company comply with relevant laws and regulations and international standards regarding issues such as customer health and safety, customer privacy, marketing and labeling of products and services, and establish relevant customer rights protection policies and complaint procedures?	✓		(V) All vessels of the Group comply with the United Nations' International Maritime Organization convention.	(V) No major difference.
(VI) Has the Company formulated supplier management policies requiring suppliers to follow relevant regulations on environmental protection, occupational safety and health, or labor rights and monitor their implementation?	✓		(VI) If a supplier violates the corporate social responsibility policy and has a significant impact on the environment and society, the Company will terminate or cancel its contracts at any time. The Company follows the Responsible Business Alliance (RBA) Code of Conduct in establishing its supplier management policy to ensure a safe working environment, respect and dignity for workers, and environmentally friendly and ethical business operations. The Company's specific supplier management practices and implementation are as follows: 1. The first stage suppliers must comply with the	(VI) No major difference.

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			RBA Code of Conduct. 2. The first stage suppliers must sign a statement of compliance with the principle of good faith and maintenance of the quality of supplies. 3. The first stage suppliers are required to fill out a "Self-assessment Form", which served as the basis for subsequent on-site audits. 4. Once a year, the company conducted an on-site inspection of the first stage supplier (ongoing transactions) to verify compliance with the RBA Code of Conduct (The 2024 annual audit operation had benn conducted in february 2025). 5. Once a year, we hold a meeting with the first stage suppliers todiscuss the results of company audits and to implement education and training on the RBA Code of Conduct (held in February, 2025; the results of 2024 annual audits were in line with suppliers' self-assessments and there were no material difference). 6. The results of the first stage suppliers' "Self-assessment Forms" and the actual audit results were all "excellent" (with an average score of 90 points or more), meeting the requirements	

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
			of the RBA Code of Conduct. ※The self-assessment form includes, but is not limited to, environmental protection, labor and human rights, occupational safety, and ethics and integrity.	
V. Has the Company referred to international reporting standards or guidelines in its preparation of sustainability reports and other reports which disclose the Company's non-financial information? Has the confirmation or assurance opinion from third-party certifying institutions been obtained for the reports of the preceding paragraph?		✓	The information disclosed in the report has been prepared in accordance with the "Core" option of the GRI Standards 2021 published by the Global Reporting Initiative (GRI) , and is in compliance with the requirements of the "Rules Governing the Preparation, "Sustainability Accounting Standards Board (SASB)" and "Task Force on Climate-related Financial Disclosures (TCFD)", and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies." The index of GRI Standards, Sustainability Accounting Metrics and TWSE/TPEx-listed Companies Climate-related Information Index are also provided at the end of this report for stakeholders' reference. The contents of the reports have been prepared by FIRST STEAMSHIP itself and have been reviewed and confirmed by the relevant department heads without any assurance or confirmation from external third-party organizations.	No major difference because the Company is not mandatorily required to obtain confirmation or assurance opinion certified by a third-party.
VI. If the Company has related practice principles of its own in accordance with the "Sustainability Development Best Practice Principles for TWSE/TPEx Listed Companies," please state the differences between the two and the state of implementation: The Company's Sustainability				

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
Development Practice Principles have been established in accordance with the "Sustainability Development Best Practice Principles for TWSE/TPEx Listed Companies" and has been followed.				
VII. Other important information that will help promote the implementation of sustainable development: (I) The vessels are equipped with the necessary equipment in accordance with marine environmental protection regulations. For example, the engine room is equipped with a sewage treatment machine, an oil-water separator and an incinerator. Each fuel pipeline interface is equipped with an oil catch pan to prevent oil from dripping and leaking so as to avoid pollution of the ocean or port waters. All anti-pollution equipment is inspected by the surveyor of the International Association of Classification Societies every year to ensure its proper operation. The Group and all vessels took the lead in implementing the safety management system in mid-October 1996 at the same time to comply with the International Safety Management Code, which became mandatory on July 1, 1998. Newly built vessels are equipped with environmentally friendly and energy-saving host machines, carbon dioxide with low sulfur content; and ballast water treatment system and sewage discharge treatment system in order to ensure better the health of the crew and the safety of ship operations, and to achieve the purpose of protecting the marine environment. (II) The Company strives to operate its business on the basis of legal compliance, and is committed to the maintenance of global environmental resources, the fulfillment of social responsibility in return, sound corporate governance, in order to achieve its business objectives of sustainable development. (III) Mandatory carbon reduction measures imposed on the international shipping industry To cope with climate change, in 2018, the International Maritime Organization (IMO) reached a resolution aimed at cutting the carbon intensity of the international shipping industry - by at least 40% by 2030, and by at least 70% by 2050, compared to the 2008 baseline. To achieve the targets, the Marine Environment Protection Committee (MEPC 76) adopted amendments to the International Convention for the Prevention of Pollution from Ships (MARPOL) Annex VI, which will be enforced on November 1, 2022. The amendments feature an addition of two indicators, namely, Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII). EEXI requires ships to possess performance that meets the environmental and energy-efficient requirements at the design stage. Fuel must be used in the most efficient manner on the grounds that shipments of a certain volume can be completed. Ships failing the expected criteria and causing pollution will be restricted or adjusted. IMO devised the energy efficiency of existing ship index (EEXI), aiming to improve a ship's energy efficiency and reduce GHG emissions from the shipping industry. The attained EEXI of an existing ship must not be greater than its				

Item	Implementation status			The differences from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the reasons therefor
	Yes	No	Summary Description	
required EEXI; otherwise, the ship is required to lower its speed, restrict its power output, or adopt other measures that facilitate its energy efficiency, to qualify. CII is a rating assigned to a ship based on its performance in annual fuel consumption (i.e., annual energy ratio). If operation of a ship is not energy efficient, a remedy plan must be submitted and the fuel in use must be adjusted. Carbon Intensity Indicator (CII), a new requirement: 1. CII requires that a ship that is above 5,000GT and must qualify in terms of EEDI set a CII Achievement Plan under its Ship Energy Efficiency Management Plan (SEEMP) and obtain a certificate of conformance (CoC) issued by a recognized organization (RO) by January 1, 2023. 2. Starting from January 1, 2023, the annual CII (CII = 2 Emission /Capacity × Distance) must be calculated for a ship every year, based on which the ship will be ranked on a scale from A to E. In addition, the threshold for each rank will be more stringent year on year. If a ship is ranked D for three consecutive years or E in a single year, a remedy plan must be submitted and recognition must be obtained from a recognized organization (RO).				

Note 1： If "Yes" is checked for the implementation status, please describe the important policies, strategies, and measures adopted and their implementation; if "No" is checked, please explain in the field of "the difference from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor" and the relevant policies, strategies and measures in the future.

Note 2： The principle of materiality refers to environmental, social and corporate governance issues that have a significant impact on the Company's investors and other stakeholders.

Climate information of TWSE/TPEx-listed companies

Disclosure in accordance with Schedule 2 of the Regulations Governing the Preparation and Filing of Sustainable Reports by Listed Companies.

1. Climate-related information and status of implementation

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	For details, please see the Sustainability Report chapte 4.1 Climate-related Financial Disclosure
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Same as above
3. Describe the financial impact of extreme weather events and transformative actions.	Same as above
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Same as above
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Contextual analysis tools have not yet been used.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	For details, please see the Sustainability Report chapte 4.1 Climate-related Financial Disclosure
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Carbon pricing has not been planned for the current year.
8. renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	For details, please see the Sustainability Report chapte

9. Greenhouse gas inventory and confirmation status, reduction targets, strategies and specific action plans (separately fill out in 1-1 and 1-2).	4.1 Climate-related Financial Disclosure For details, please see the Sustainability Report chapte 4.1 Climate-related Financial Disclosure. First Steamship's Taipei office has completed the greenhouse gas inventory for the current year, but has not yet implemented assurance. Each subsidiary is expected to complete the inventory process in 2025.

1-1 Greenhouse Gas Inventory and Assurance Status of the Company in the Last Two Years

1-1-1 Greenhouse Gas Inventory Information

Describe the greenhouse gas emissions (metric tons of CO2e), Intensity (Metric tons CO2e / NT$ 1 million), and the scope of the data for the last two years.
In accordance with the sustainable development roadmap for listed companies, FIRST STEAMSHIP has completed the 2024 greenhouse gas inventory of individual companies in 2025 and expects to conduct a greenhouse gas inventory of consolidated subsidiaries in 2026. In 2027, we will complete the verification of individual companies. In 2028, we will complete the verification of consolidated subsidiaries.

In 2023, the scope of the data for scope 2 covers the Taipei office and Dayang Commercial's mainland shopping malls, while the scope of the data for scope 1 includes only the Taipei office.
In 2023 greenhouse gas emissions (metric tons of CO2e): 64,117
In 2023 Intensity (Metric tons CO2e / NT$ 1 million): 11.64
In 2024, the scope of the data for scope 2 covers the Taipei office and Dayang Commercial mainland shopping malls, while the scope of the data for scope 1 includes only the Taipei office.
In 2024 greenhouse gas emissions (metric tons of CO2e): 66,052
In 2024 Intensity (Metric tons CO2e / NT$ 1 million) :13.62

Note 1：Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the company), indirect energy emissions (Scope 2, i.e., indirect GHG emissions from imported electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions generated by the company's activities, which are not indirect energy emissions, but come from sources owned or controlled by other companies).

Note 2：The scope of direct emissions and energy indirect emissions data shall be handled in accordance with the time schedule set by the order stipulated in Article 10 (2) of this standard, while other indirect emissions information may be disclosed on a voluntary basis.

Note 3：Greenhouse Gas Inventory Standard: Greenhouse Gas Protocol, GHG Protocol or ISO14064-1 issued by International Organization for Standardization, ISO.

Note 4：The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of business volume (NT$ 1 million) should be described.

1-1-2 Greenhouse Gas Confirmation Information

Describe the information of the most recent two years as of the printing date of the annual report, including the scope of confirmation, confirmation organization, confirmation criteria, and confirmation opinion.
The Company disclosed that the total greenhouse gas emissions will be 64,117 metric tons of CO2e in 2023 and 66,052 metric tons of CO2e in 2024 (accounting for 100% of the total emissions). Not confirmed by the confirmation organization using the ISAE3410/ISO14064-3 standard. The Company expects to conduct the confirmation in 2027.

Note 1：According to the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulation, if the Company has not obtained a complete greenhouse gas assurance opinion by the publication date of the annual report, the Company shall state that "Complete Assurance Information will be Disclosed in the Sustainability Report", and if the Company has not prepared a sustainability report, the Company shall state that "Complete Assurance Information will be Disclosed in the Public Information Observation Station", and disclose the complete assurance information in the annual report of the following year.

Note 2：The assurance body shall meet the organization’s provisions regarding assurance of sustainability reports prescribed by the TWSE and the TPEx。

Note 3：Please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange for disclosure content.

1-2 greenhouse gas reduction targets, strategies and specific action plans

Describe the base year of greenhouse gas reduction and its data, reduction targets, strategies and specific action plans, and the achievement of reduction targets.
※Quantitative management targets for greenhouse gas emissions in the future: Indicator 1: 2025 (Short-term) Complete the greenhouse gas inventory for the individual company and establish 2024 as the base year for the individual company. 2026 (Short-term) Complete greenhouse gas inventory for subsidiaries included in consolidated financial statements and establish 2025 as the base year for subsidiaries included in consolidated financial statements. Indicator 2: Completion of individual GHG inventory in 2027 (medium-term). Completion of GHG inventory of the subsidiaries in consolidated financial statements in 2028 (medium-term). Expected GHG reduction of 15% by 2030 (mid-term). Indicator 3: Expected GHG reduction of 30% by 2040 (mid-term). Expected GHG reduction of 50% by 2050 and carbon neutrality.

(VI) According to the schedule prescribed in the order issued under Article 10 paragraph 2 of the Regulations.

(VII) The base year shall be the year in which the consolidated financial report boundary is completed. For example, according to the schedule prescribed in the Standard issued under Article 10 paragraph 2 companies with a capital of more than NT$10 billion shall complete the consolidated financial report for 2024 in 2025 of the fiscal year, so the base year shall be 2024, and if the company has completed the consolidated financial report earlier, it may use that earlier year as the base year, and the data of the base year may be calculated by the average of a single year or a number of years.

(VIII) Please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange for disclosure content.

(VII) Fulfillment of the ethical corporate management practice principles and the differences from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons therefor.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
I. Formulate ethical corporate management policy and plan				
(I) Has the Company formulated an ethical corporate management policy approved by the Board of Directors, and are the policy and practice of ethical corporate management stated in the Company's regulations and external documents, as well as the commitment of the Board of Directors and the senior management to actively implement the policy?	✓		(I) The Company has established the "Ethical Corporate Management Practice Principles" and has strengthened the promotion of business philosophy and the implementation of policies. The Board of Directors and senior management have actively pursued the most basic value of business policies.	(I) No major difference.
(II) Whether the Company has established a mechanism for evaluating the risk of unethical conduct, regularly analyzes and evaluates the activities in the scope of business with a higher risk of unethical conduct, and based on this, has formulated a plan to prevent	✓		(II) The Company requires each dedicated unit to establish a risk assessment mechanism for unethical conduct and fulfill its supervisory responsibilities. The Company also requires directors, supervisors, officers, employees	(II) No major difference.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
unethical conduct, which covers at least the preventive measures for the conduct set out in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?			and appointees to take precautions against offering bribes, accepting bribes and making illegal political contributions in their business activities. It specifies that no unethical conduct such as offering or accepting, directly or indirectly, any unreasonable gifts, entertainment or other improper benefits is allowed to prevent employees from sacrificing the Company's rights and interests for their personal interests.	
(III) Whether the Company has specified operating procedures, conduct guidelines, and disciplinary and complaint systems for violations in the plan to prevent unethical conduct and implemented the plan as well as regularly reviews and amends it?	✓		(III) The Company has established the "Operating Procedures for Ethical Management and Guidelines for Conduct," which specifies that the Company's personnel should comply with the regulations and implement them in order to prevent unethical conduct in the execution of business.	(III) No major difference.
II. The implementation of ethical corporate management				
(I) Does the Company evaluate the ethical records of its counterparties and specify the ethical conduct clauses	✓		(I) The Company conducts business activities in a fair and transparent manner and takes into	(I) No major difference.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
in the contracts signed with the counterparties?			consideration the legitimacy of agents, suppliers, customers, or other business counterparties and whether there is a record of unethical conduct before doing business and avoids dealing with those who have a record of dishonest behavior. When signing a contract with others, the ethical principle and the terms that the counterparty of the transaction may terminate or rescind the contract at any time in case of dishonesty should be included.	
(II) Does the Company have a dedicated unit under the Board of Directors to promote ethical corporate management and regularly report (at least once a year) to the Board of Directors on its ethical management policy and plan to prevent unethical conduct and monitor their implementation?	✓		(II) The Company's secretariat is the dedicated unit to promote ethical corporate management and is responsible for formulating and supervising the implementation of ethical corporate management policies and preventive measures, assisting the Board of Directors and management in checking and evaluating the effectiveness of the preventive	(II) No major difference.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			measures established for the implementation of ethical corporate management. The internal audit unit evaluates compliance of relevant business processes and reports to the Board of Directors regularly. The implementation status in 2024 was reported at the 21st meeting of the 22nd Board of Directors on December 13, 2024.	
(III) Does the Company have a policy to prevent conflict of interest, provide appropriate channels for explanation, and implement it?	✓		(III) The Company has established a policy to prevent conflict of interest in the corporate ethical management practice principles and provides appropriate channels for explanation. In addition, it is implemented in accordance with the Company's internal control systems, audit system and various management measures.	(III) No major difference.
(IV) Whether the Company has established an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal audit unit draws up relevant audit plans	✓		(IV) The Company has established an accounting system and internal control systems, which are properly and effectively implemented. Internal auditors conduct regular audits in	(IV) No major difference.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
based on the evaluation results of risk of unethical conduct and audits the compliance of the plan to prevent unethical conduct or entrusts a CPA to perform the audit?			accordance with the audit plan, and CPA appointed by the Company also regularly performs audits and attestation of financial statements to ensure ethical corporate management and avoid fraud.	
(V) Does the Company regularly organize internal and external education and training on ethical corporate management?	✓		(V) The Company has strengthened internal educational propaganda and implementation of ethical corporate management. The implementation situation is as follows: Publicity information on the Company's website is made available. Literature on regulatory information is also circulated in the form of mail or document by the Secretariat of the Board of Directors from time to time, from time to time promulgates the information on the prevention of insider trading, including but not limited to directors and insiders, shall not trade stocks during the closed period 30 days before the	(V) No major difference.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			announcement of the annual financial report and 15 days before the announcement of the quarterly financial report, and provide relevant rules (code of practice on corporate governance, management operation methods to prevent insider trading, etc.) on the company's website for reference. We attended the Taiwan Stock Exchange's online seminar on February 22, 2024, titled "Promotional Seminar on the New Reporting System for Large-Scale Share Acquisitions under Article 43-1, Paragraph 1 of the Securities and Exchange Act." The seminar covered the new regulations for large-scale share acquisitions reporting under Article 43-1, Paragraph 1 of the Securities and Exchange Act, which will be implemented on May 10, 2024, including relevant content, reporting requirements, and precautions. The seminar lasted 2 hours with 6 participants. On October 17, 2024, from	

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			9:30 AM to 12:30 PM, we invited an instructor from the Chinese Corporate Governance Association to conduct education and training for directors and employees at our company. The course, "How Enterprise Digital Transformation Can Balance Intelligent Security Risks to Create a Win-Win-Win Situation," totaled 3 hours with 41 attendees. On October 17, 2024, from 2:00 PM to 5:00 PM, we invited an instructor from the Chinese Corporate Governance Association to conduct education and training for directors and employees at our company. The course, "Legal Matters That Boards of Directors Should Understand in Corporate Supervision: Carefully Avoiding Red Lines of Concerted Actions and Preventing Insider Trading," totaled 3 hours with 41 attendees. On October 18, 2024, from 9:30 AM to 12:30	

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			PM, we invited an instructor from the Taiwan Corporate Governance Association to conduct education and training for directors and employees at our company. The course, "Integrity Management and Anti-Corruption from the Perspective of Sustainable Governance," totaled 3 hours with 41 attendees. On October 18, 2024, from 2:00 PM to 5:00 PM, we invited an instructor from the Taiwan Corporate Governance Association to conduct education and training for directors and employees at our company. The course, "Prevention of Labor Disputes and Corporate Governance (Including the Gender Equality in Employment Act)," totaled 3 hours with 41 attendees. On November 22, 2024, we participated in the "2024 Legal Compliance Promotional Seminar on Insider Stock Trading" organized	

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			by the Taiwan Stock Exchange. The content included "Insider Trading Briefing," "Regulations and Practices of Insiders' Equity Changes," "Large-Scale Acquisition," and "Short-Swing Trading Briefing." The seminar lasted 3 hours with 3 participants (the Internal Audit Officer, Board Secretariat Senior Manager, and Accounting Department Senior Manager). On November 26, 2024, we participated in the "Listed Companies Business Promotional Seminar" organized by the Taiwan Stock Exchange. The content included "Material Information and Trading Suspension," "Corporate Governance Regulations Amendments and Related Practices," "Recent Regulatory Amendment Highlights," "Annual Information Reporting Amendment Highlights," "Information Security Promotion," and "Introduction to Index	

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			Company IR and Engagement Services and Carbon Rights Trading." The seminar lasted 3 hours with 1 participant (Board Secretariat Senior Manager). On December 27, 2024, we organized an employee education and training course on "Procedures and Guidelines for Ethical Corporate Management, Prevention of Insider Trading, and Information Security Promotion." The content included "Management for Prevention of Insider Trading," "Regulations and Practices of Insiders' Equity Changes," "Large-Scale Acquisition," "Short-Swing Trading Briefing," "Procedures and Guidelines for Ethical Corporate Management," and "Information Security Management Operations and Compliance Guidelines." The course lasted 1 hour with 15 participants (representatives from each department). The	

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			Company also encourages and arranges for employees to take external training courses, thereby fully communicating the importance of ethical corporate management implementation to them.	
III. The operation of the Company's whistleblower reporting system (I) Has the Company set up a specific whistleblower reporting and reward system and a convenient reporting channel and designated appropriate personnel to deal with the reported matters?	✓		(I) As set out in Article 21 of the Company's "Procedures for Ethical Management and Guidelines for Conduct", the Company encourages internal and external personnel to report unethical conduct or improper behavior and rewards them according to the severity of their reports. Internal personnel who make false reports or malicious accusations shall be subject to disciplinary sanction, and those with serious cases shall be dismissed. There is a mailbox on the Company's website for whistleblowers to report and dedicated personnel will properly handle related	(I) No major difference.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
			matters. If there is any violation of the ethical corporate management regulations, the Company will sign off on punishments in accordance with the management regulations.	
(II) Has the Company formulated standard operating procedures to investigate the reported matters, follow-up measures to be taken after the completion of the investigation, and the relevant confidentiality mechanisms?	✓		(II) As set out in Article 21 of the Company's "Procedures for Ethical Management and Guidelines for Conduct", the Company has formulated standard operating procedures to investigate the reported matters, follow-up measures to be taken after the completion of the investigation, and the relevant confidentiality mechanisms.	(II) No major difference.
(III) Whether the Company takes measures to protect whistleblowers from being improperly handled due to reporting?	✓		(III) The personnel receiving and handling the report shall keep the whistleblower's identity and the content of the report confidential to prevent the whistleblower from being improperly treated as a result of the report.	(III) No major difference.
IV. Enhance Information Disclosure				
(I) Does the Company disclose the content and effectiveness of its Ethical Corporate Management	✓		The Company has disclosed its "Ethical Corporate Management Practice Principles" on	No major difference.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
Principles on its website and the Market Observation Post System?			the Market Observation Post System and continues to maximize its effectiveness. Disclosure is also made on the Company's official website.	
V. If the Company has related practice principles of its own in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies," please state the differences between the two and the state of implementation: In order to establish a corporate culture of ethical management and sound corporate development, the Company has established an Ethical Corporate Management Practice Principles" and operates in accordance with the principles to prevent unethical conduct. No major difference from the differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.				
VI. Other important information that is helpful to understand the implementation of ethical corporate management: Yes, the establishment of "Operating Procedures for Ethical Management and Guidelines for Conduct."				

(VI) If the Company has established corporate governance principles and related rules, the Company shall disclose its inquiry methods: The Company has established corporate governance practice principles, corporate social responsibility practice principles, sustainable development best practice principles, operating procedures for ethical management and guidelines for conduct, and code of ethical conduct, and has disclosed the above corporate governance-related regulations on the Market Observation Post System and the Company's website for an inquiry by the Company's related parties.

(VII) Other important information that is helpful to understand the Company's implementation of corporate governance: The Company has disclosed material information in a timely manner.

(VIII) Implementation of internal control systems

1. Statement of internal control systems

FIRST STEAMSHIP COMPANY LIMITED

Statement of internal control systems

Date: March 14, 2025

The Company states the following for its 2024 internal control systems based on the results of self-evaluation:

I. The Company knows that establishing, implementing and maintaining an internal control system is responsible for the Company's Board of Directors and managerial officers, and the Company has established this system. Its purpose is to provide reasonable assurance of the achievement of objectives such as the effectiveness and efficiency of operations (including profitability, performance and asset security, etc.), the reliability, timeliness, and transparency of reporting, as well as compliance with relevant rulings, laws and regulations, etc. The internal control system has its inherent limitations.

II. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance of the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company's internal control system has a self-monitoring mechanism. Once a defect is identified, the Company will take corrective actions.

III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the criteria of the effectiveness of the internal control system stipulated in the “Regulations Governing Establishment of Internal Control Systems by Public Companies” (hereinafter referred to as the “Regulations”). The criteria of the internal control system adopted in the “Regulations” are based on the process of managerial control and divide the internal control system into five components: 1. control environment, 2. risk evaluation, 3. control operations, 4. Information and communication, and 5. Monitoring operations. Each component consists of a number of items. Please refer to the “Regulations” for these items.

IV. The Company has adopted the aforementioned criteria of the internal control system to evaluate the effectiveness of the design and implementation of its internal control systems.

V. Based on the evaluation results of the preceding paragraph, the Company believed that the design and implementation of its internal control system were effective as of December 31, 2024 (including the supervision and management of subsidiaries), with an understanding of the extent to which the objectives of effectiveness and efficiency of operations were achieved, whether the reporting was reliable, timely, transparent, and if the compliance with relevant rulings, laws and regulations is met, and a reasonable assurance of the achievement of these objectives.

VI. This statement will become the main content of the Company's annual report and prospectus and will be made public. If the above-mentioned disclosures have falsehood or concealment, legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act will be incurred.

VII. This statement was approved by the Company's Board of Directors on March 14, 2025. Of the 7 directors present, 0 had objections, and the rest all agreed with the content of this statement and declared here.

FIRST STEAMSHIP COMPANY LIMITED

Chairman: Jen-Hao Kuo

General manager: Jen-Hao Kuo

2. If a CPA was appointed to conduct a special audit of the internal control systems, the CPA's review report shall be disclosed: None

(IX) During the last year or the current year up to the date of publication of the annual report, if the Company or its internal personnel have been punished in accordance with the law, or the Company has punished its internal personnel for violating the provisions of the internal control system. The contents of the punishments, major deficiencies and improvements should be listed: None.

(X) Important resolutions of the shareholder meeting and board meeting during the last year or the current year up to the date of publication of the annual report:

1. Important resolutions of the 2024 regular shareholders' meeting and their implementation

Shareholder Meeting Date	Important resolution	Implementation status
June 18, 2024 (Regular shareholder meeting)	Proposed Resolutions 1. 2023 business report and financial statements. Resolution: Passed as proposed. 2. 2023 profit or loss make-up proposal. Resolution: Passed as proposed. Discussion Items 1. Proposal on amendments to certain provisions of the Company's "The Rules of Procedure for Shareholders Meetings of the Company". Resolution: Passed as proposed. Other Proposals: 1. Removal of restrictions on newly appointed directors' competition for business. Resolution: Passed as proposed.	The announcement of material information on the day of the shareholder meeting is an important resolution of the shareholder meeting. The execution has been completed. After passing, the declaration will be announced and uploaded to the company website. Executed in accordance with the resolution.

2. Important resolutions of the board meeting during 2024 or the current year up to the date of publication of the annual report

Meeting Name	Date	Meeting Session	Item Order	Important Resolution
Board of Directors	January 17, 2024	22nd term 7th session	1	Report on the implementation of the capital loan and over-limit improvement plan of Youcheng Financial Leasing Co., Ltd., a 100%-owned subsidiary of the Company.
			2	Reported on the execution of internal audit work in November and December 2023.
			3	Approved the proposal of the legal representative of Youcheng Financial Leasing Co., Ltd. and its subsidiaries.
			4	Approved the proposal to intended to lift the prohibition on the Company’s managerial officers from competing for business.
			5	Approved the proposal for the Company to participate in the cash capital increase (hereinafter referred to as the rights issue) by the extraordinary shareholders' meeting on December 28, 2023 of Da Yu Financial Holdings Limited (hereinafter referred to as Da Yu Financial, Hong Kong stock code 1073.HK).
			6	Approved the subsidiary Royal Sunway Development Co., Ltd.’s plan to apply for a short-term loan of NT$90 million from China Leasing Co., Ltd., with the Company acting as a joint guarantor.
Board of Directors	February 2, 2024	22nd term 8th session	1	Approved the proposed amendments to certain provisions of the “Management Measures for the Authorization of Duties and Acting Persons” of the Company
			2	Approved the Company’s plan to pay the year-end bonus to the managerial officers for 2023.
Board of Directors	February 15, 2024	22nd term 9th session	1	Reported on the execution of internal audit work in January 2024.
			2	Approved the Company to the International Bills Finance Corporation. to handle the issue of commercial promissory note guarantee.
			3	Approved the Company's plan to establish two new Marine subsidiaries in Liberia company.
			4	Approved the results of the preliminary discussion at the 6th meeting of the 22nd Board of Directors' Meeting on the future action strategy of Grand Ocean Retail Group Limited (hereinafter referred to as "Grand Ocean KY").

Board of Directors	March 15, 2024	22nd term 10th session	1	Report on the Company and its subsidiaries (excluding Grand Ocean Retail Group Ltd. and its subsidiaries) have adopted the International Financial Reporting Standards (IFRS's) approved by the Financial Supervisory Commission to prepare consolidated financial reports since 2023.
			2	Approved the Company's 2023 self-consolidated financial statement.
			3	Approved to issue the Company's 2023 "Internal Control System Statement".
			4	Approved to our company, we handled the renewal of NT$100 million short-term loan line with Huanan Bank.
			5	Approved the proposal to approve the application filed by Youcheng Financial Leasing Co., Ltd. for changing the repayment terms on the loan borrowed from the subsidiary First Steamship S.A.
			6	Approved the results of the discussion at the 6th meeting and the 9th meeting of the 22nd Board of Directors' Meeting on the future action strategy of Grand Ocean Retail Group Limited.
			7	Approved the deregistration of endorsement guarantee of the Company to a subsidiary Grand Ocean Retail Group Ltd.
			8	Approved the proposal of the Company's proposed capital loan and Xinshengyang Development Co., Ltd.
Board of Directors	March 28, 2024	22nd term 11th session	1	Report on newly increased capital loans and endorsement guarantees from October to December 2023.
			2	Reported on the execution of internal audit work in February 2024.
			3	Reported on the Company and its subsidiaries' progress in GHG emissions inventory.
			4	Approved the proposal of the directors and general managers of Youcheng Financial Leasing Co., Ltd. and its subsidiaries.
			5	Approved the proposal to lift the prohibition on the Company's managerial officers from competing for business.
			6	Approved the Company's 2023 year business report, consolidated financial report and individual financial report.
			7	Approved the Company's 2023 year employee and director remuneration payment case.
			8	Approved the Company's 2023 year profit and loss supplement proposal.

			9	Approved the results of the discussion at the 6th meeting, the 9th meeting, and the 10th meeting of the 22nd Board of Directors' Meeting on the future action strategy of Grand Ocean Retail Group Limited.
			10	Approved the amendments to certain provisions of the "Guard Against Insider Trading Management Operations" of the Company.
			11	Passed the proposal on removal of restrictions on directors' competition for business
			12	Approved the date, place, way of convening, and agenda of the Annual General Meeting of the Company for 2024, with the exercise of voting rights by written or electronic means.
			13	Approved the matters related to the acceptance of written proposals from shareholders for the 2024 Annual General Meeting of the Company.
			14	Approved to amend part of the text of the Company's "Audit Committee Organization Regulations".
			15	Approved to amend some articles of the Company's "Board of Directors' Rules of Procedures".
			16	Approved the proposal to amend some articles of the Company's "Code of Practice on Corporate Governance".
			17	Passed the amendments to certain provisions of the Company's "Rules of Procedure for Shareholders' Meetings".
Board of Directors	April 22, 2024	22nd term 12th session	1	Report on the implementation of the capital loan and over-limit improvement plan of Youcheng Financial Leasing Co., Ltd., a 100%-owned subsidiary of the Company.
			2	Reported on the execution of internal audit work in March 2024.
			3	Approved the results of the discussion at the 6th, 9th, 10th and 11th board meeting of the 22nd Board of Directors' Meeting on the future action strategy of Grand Ocean Retail Group Limited (hereinafter referred to as "Grand Ocean KY").
			4	Passed the proposal on removal of restrictions on directors' competition for business
			5	Approved the proposal to intended to lift the prohibition on the Company's managerial officers from competing for business.
Board of Directors	May 13, 2024	22nd term 13th session	1	Report on newly increased capital loans and endorsement guarantees from January to March 2024.
			2	Report on the implementation of the capital loan and over-limit improvement plan of Youcheng Financial Leasing Co., Ltd., a 100%-owned subsidiary of the Company.

			3	Report on the Company's acquisition of convertible bonds with contingent conversion rights issued by RO Brand Technology (TW) Inc., amounting to US$1,000,000.
			4	Report on the implementation of corporate governance in 2024 and the results of the 2023 corporate governance evaluation.
			5	Passed the proposal on the Company’s consolidated financial reports for the first quarter of 2024.
			6	Approved the assessment of the Company's receivables.
Board of Directors	June 18, 2024	22nd term 14th session	1	Reported on the execution of internal audit work in April 2024.
			2	Reported on the Company and its subsidiaries’ progress in GHG emissions inventory.
			3	Approved the Company’s 2023 Sustainability Report.
			4	Approved the application by the Company and its subsidiaries to extend loan lines from financial institutions due to business needs in the second quarter of 2024.
			5	Approved to the extension of the subsidiary First Steamship S.A.'s proposed capital loan and Youcheng Financial Leasing Co., Ltd.
			6	Approval of the proposed adjustment to the joint development contract with co-landowner Honor Construction International Co., Ltd. and developer Xinshengyang Development Co., Ltd. and developer Honor Construction Building Development Co., Ltd. for the joint development of the Company's land in New Taipei City, Tucheng District, Yongfu Section Lot No. 55, 55-1and Yongfu Section Lot No. 70, 73 and 74, with an additional supplementary agreement to be established.
Board of Directors	June 28, 2024	22nd term 15th session	1	Approved the proposal of the First Steamship S.A.'s proposed capital loan and Grand Ocean Retail Group Ltd.
			2	Approved the subsidiary Grand Ocean Retail Group Ltd. to apply for a short-term loan of US$8 million from EnTie Commercial Bank, with the Company serving as the joint guarantor.
Board of Directors	August 12, 2024	22nd term 16th session	1	Reported on the status of new funds lending and endorsements from April to June 2024.
			2	Reported on the execution of internal audit work in May and June 2024.
			3	Approved the proposal on the Company’s consolidated financial reports for the second quarter of 2024.
			4	Approved the Company's application for a short-term loan facility from Bank of Panhsin.

			5	Approved the proposal of the Company's proposed capital loan and Xinshengyang Development Co., Ltd.
			6	Approved the proposal of the First Steamship S.A.'s proposed capital loan and Grand Ocean Retail Group Ltd.
Board of Directors	September 9, 2024	22nd term 17th session	1	Reported on the execution of internal audit work in July 2024.
			2	Approved the Company's plan to acquire domestic unsecured ordinary corporate bonds issued by RO Brand Technology (TW) Inc. in an amount not exceeding US$2 million.
Board of Directors	October 16, 2024	22nd term 18th session	1	Reported on the execution of internal audit work in August 2024.
			2	Reported on the Company and its subsidiaries' progress in GHG emissions inventory.
			3	Approved the proposed appointment of Chih Yeh Consultancy Limited as the principal consultant, they will provide consulting services to "assist the Company in developing response strategies to prevent the Group from being affected by department store business losses, as well as feasibility assessments of the response strategies and planning for future implementation." The Company also proposes to appoint Chien Yeh Law Offices as the legal compliance consultant for the project, and KPMG as the financial consultant for the project.
			4	Approved to the Company's renewal of NT$130 million short-term loan line with Mega International Commercial Bank.
			5	Approved to the proposal of subsidiary First Steamship S.A.'s proposed capital loan and Yihang Co., Ltd.
			6	Approved the proposal for capital reduction and return of share capital by investee subsidiary.
			7	Approved the proposal to adjust the loan interest rates between subsidiaries.
			8	Approved the proposal of the Company's proposed capital loan and Xinshengyang Development Co., Ltd.
Board of Directors	November 1, 2024	22nd term 19th session	1	Reported on the execution of internal audit work in September 2024.
			2	Approved the Company's plan to renew the long-term secured loan limit to Taiwan Taishin Commercial Bank Company Ltd.

			3	Approved the subsidiary Xinshengyang Development Co., Ltd.’s plan to apply for a long-term loan of NT$426.5 million from Taishin Bank, with the Company serving as joint guarantor and providing collateral.
Board of Directors	November 13, 2024	22nd term 20th session	1	Reported on the status of new funds lending and endorsements from July to September 2024.
			2	Reported on the performance evaluation and implementation results of the operations of the Board of Directors from November 2023 to October 2024.
			3	Passed the proposal on the Company’s consolidated financial statements for the third quarter of 2024.
			4	Approved the audit fee proposal for 2024 attesting CPAs.
Board of Directors	December 13, 2024	22nd term 21st session	1	Reported on the execution of internal audit work in October 2024.
			2	Reported on the Company's liability insurance coverage for directors, supervisors and key employees.
			3	Reported on the execution of the Company's corporate governance in 2024.
			4	Reported on the promotion of the Company’s ethical corporate management and prevention of insider trading in 2024.
			5	Reported on the communication between the Company and the various stakeholders in 2024.
			6	Approved the proposal to amend some articles of the Company's "Code of Practice on Corporate Governance".
			7	Approved the addition of the "Internal Control System for Management of Sustainability Information" for the Company.
			8	Approved the Company's 2025 annual audit plan by internal audit.
			9	Approved the Company's operating budget for 2025.
			10	Approved the independent judgment from December 2023 to November 2024 attesting CPAs in compliance with the competent authorities.
			11	Approved the proposal to accept the non-assurance service to be provided by KPMG in 2025.
			12	Approved the Company’s plan to continuously apply for loan limit to Bank of Taiwan.
			13	Approved the Company's application for a loan facility from Taichung Commercial Bank.

			14	Approved to the proposal of subsidiary First Steamship S.A.'s proposed capital loan and Yihang Co., Ltd.
			15	Approval of the proposal for subsidiary Heritage Riches Ltd. to lend funds to First Steamship S.A.
			16	Approved a medium-term secured loan from the subsidiary Sure Success Steamship S.A. from Taichung Commercial Bank, with the Company serving as joint guarantor.
			17	Approved the Company's endorsement and guarantee for its subsidiary Xinshengyang Development Co., Ltd. regarding a medium-term secured loan facility of NT$250.9 million from Taichung Commercial Bank.
			18	Approved the proposal of the Company's proposed capital loan and Xinshengyang Development Co., Ltd.
			19	Approved the proposal:The monthly remuneration to directors, independent directors and audit committee members of the Company. Submitted for review.
			20	Approved the periodic review of the remuneration of the Company's managerial officers.
			21	Passed the proposal on removal of restrictions on directors' competition for business
			22	Approved the proposal to intended to lift the prohibition on the Company's managerial officers from competing for business.
Board of Directors	January 17, 2025	22nd term 22nd session	1	Reported on the execution of internal audit work in November and December 2024.
			2	Reported on the Company and its subsidiaries' progress in GHG emissions inventory.
			3	Approved the proposal for subsidiary Longevity Navigation S.A. to extend its loan facility with Bank of Panhsin, with the Company serving as joint guarantor.
			4	Approved the Company's proposal to sign a supplementary agreement for RO Brand Technology (TW) Inc.'s corporate bonds.
			5	Approved the Company's plan to pay the year-end bonus to the managerial officers for 2024.
			6	Approved the adjustment of the remuneration of the Company's managerial officers.
Board of Directors	February 21, 2025	22nd term 23rd session	1	Report on the Company's lending of funds to Xinshengyang Development Co., Ltd., with the addition of Sunny Stand Limited as a joint guarantor, and the pledge of all its shares in Xinshengyang Company to the Company as enhanced security for the debt.

			2	Reported on the execution of internal audit work in January 2025.
			3	Passed the proposal on removal of restrictions on directors' competition for business
			4	Approved the proposal to intended to lift the prohibition on the Company's managerial officers from competing for business.
Board of Directors	March 14, 2025	22nd term 24th session	1	Report on the Company and its subsidiaries (excluding Grand Ocean Retail Group Ltd. and its subsidiaries) have adopted the International Financial Reporting Standards (IFRS's) approved by the Financial Supervisory Commission to prepare consolidated financial reports since 2024.
			2	Reported on the execution of the Company's corporate governance in 2025.
			3	Reported on the Company and its subsidiaries' progress in GHG emissions inventory.
			4	Approved the representatives appointment as corporate directors through the subsidiary Xinshengyang Development Co., Ltd.
			5	Approved to issue the Company's 2024 "Internal Control System Statement".
			6	Approved the definition of the scope of entry-level employees of the Company
			7	Passed the amendments to certain provisions of the Company's "Article of Incorporation".
			8	Approved the proposed amendments to certain articles of the "Payroll Cycle" in the Company's internal control system and internal audit implementation rules.
			9	Approved the Company's 2024 self-consolidated financial statement.
			10	Approved the date, place, way of convening, and agenda of the Annual General Meeting of the Company for 2025, with the exercise of voting rights by written or electronic means.
			11	Approved the matters related to the acceptance of written proposals from shareholders for the 2025 Annual General Meeting of the Company.
			12	Approved the proposal to intended to lift the prohibition on the Company's managerial officers from competing for business.
			13	Approved to the extension of First Steamship S.A.'s proposed capital loan and Youcheng Financial Leasing Co., Ltd.
			14	Approved the Company's proposed loan to Xinshengyang Development Co., Ltd. with Longli Co., Ltd. as joint guarantor.
Board of Directors	March 28, 2025	22nd term 25th session	1	Report on newly increased capital loans and endorsement guarantees from October to December 2024.

			2	Reported on the execution of internal audit work in February 2025.
			3	Approved the Company's 2024 year business report, consolidated financial report and individual financial report.
			4	Approved the Company's 2024 year employee and director remuneration payment case.
			5	Approved the Company's 2024 year profit and loss supplement proposal.
			6	Approved the deregistration of endorsement guarantee of the Company to a subsidiary Grand Ocean Retail Group Ltd.

(X) During the last year or the current year up to the date of publication of the annual report, if board directors had different opinions on important resolutions approved by the Board of Directors with records or written statements, the main content of the opinions: None.

(XI) For the last year or the current year up to the date of publication of the annual report, summarize the resignation and discharge of the Company’s chairperson, general managers, accounting officer, finance officer, internal audit officer, corporate governance officer, and R&D officer: None

III. Information on CPA professional fees

Unit: NT$ Thousand.

CPA firm	CPA name	CPA audit period	Audit fee	Non-audit fees	Total	Remarks
KPMG Taiwan	Shu-Ying Chang P'an Chun Ming	January 1, 2024~December 31, 2024	20,952	2,603	23,555	Non-audit fees include the following services: 1. Business registration 2. Tax compliance audit 3. Other financial services fees, etc.

(I) Competency of CPAs (measured by AQIs): Submitted to the 19th meeting of the 3rd Audit Committee and the 20th meeting of the 22nd Board of Directors for review.

FIRST STEAMSHIP COMPANY LIMITED

Audit Quality Indicators (AQIs) used to assess the competency of CPAs

2024

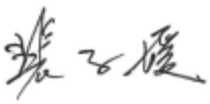
Aspect	Category	Item order	Explanation	Competent or not, as the evaluation indicates	Board of Directors meeting
Aspect 1	Professionalism	Indicator 1-1	Audit experience	Yes	Approved as proposed without objection
		Indicator 1-2	Training hours	Yes	Approved as proposed without objection
		Indicator 1-3	Turnover	Yes	Approved as proposed without objection
		Indicator 1-4	Turnover	Yes	Approved as proposed without objection
Aspect 2	Quality control	Indicator 2-1	CPAs' work load	Yes	Approved as proposed without objection
		Indicator 2-2	Audit engagement	Yes	Approved as proposed without objection
		Indicator 2-3	Engagement Quality Control Review (EQCR)	Yes	Approved as proposed without objection
		Indicator 2-4	Quality control support capability	Yes	Approved as proposed without objection
Aspect 3	Independence	Indicator 3-1	Non-audit fees	Yes	Approved as proposed without objection
		Indicator 3-2	Familiarity with customers	Yes	Approved as proposed without objection
Aspect 4	Oversight	Indicator 4-1	External inspection deficiency and punishment	Yes	Approved as proposed without objection
		Indicator 4-2	Official letter from the competent authority demanding improvement	Yes	Approved as proposed without objection
Aspect 5	Ability to innovate	Indicator 5-1	Innovative planning or innovation	Yes	Approved as proposed without objection

(II) Independence of CPAs: Submitted to the 20th meeting of the 3rd Audit Committee and the 21st meeting of the 22nd Board of Directors for review.

First Steamship Co., Ltd.
The Evaluation Standard of Accountant Independency
2024/11/30
(Evaluation period : 2023/12/01 to 2024/11/30)

	Evaluation Item	Results	Independency
1	Accountants have direct or indirect relationship of financial interests with the company	NO	YES
2	Accountants provide loans or guarantees to the company or its directors	NO	YES
3	Accountants have close business relationship or potential employment relationship with the company	NO	YES
4	Accountants and its auditing teammates currently serve as directors, managers, or jobs that influence materially on auditing assignments or served as such in the past 2 years.	NO	YES
5	Accountants offer non-auditing services that may directly or indirectly affect auditing assignments to the company	NO	YES
6	Accountants act as intermediary to the shares or other securities issued by the company	NO	YES
7	Accountants serve as the defender of the company or represent for the company to negotiate with others to resolve conflicts.	NO	YES
8	Accountants have kinship relations with the company's directors, managers, or personnel who has great influence over auditing affairs	NO	YES

Approved by :

Evaluated by : 

IV. Information on the replacement of CPA: None.

V. Anyone among the Company's chairperson, general managers, or any managerial officers in charge of finance or accounting affairs who have in the last year held a position at the counting firm of the attesting CPA or an affiliate of the accounting firm: None.

VI. Any equity transfer or change in equity pledge by a director, supervisor, managerial officer, or shareholder with 10% stake or more during the last year or during the current year up to the date of publication of the annual report.

(I) Director, supervisor, managerial officer, or shareholder with 10% stake or more

Title	Name	2024		2025 up to March 31	
		Change in shares held	Change in shares pledged	Change in shares held	Change in shares pledged
Chairperson	Yonghenghui Investment Co. Ltd. Representative Jen-Hao Kuo	0 0	0 0	0 0	0 0
Director	Henghua Investment Co., Ltd. Representative Chien-Wan Chuang	0 0	0 0	0 0	0 0
Director	Xundong Investment Co., Ltd. Representative Dennis Wai-Tak Yau	0 0	0 0	0 0	0 0
Independent director	Tseng-ping Chao	0	0	0	0
Independent director	Jung-Tsung Yang	0	0	0	0
Independent director	Ping-Sum Lui	0	0	0	0
Independent director	Jaime Che (Assuming office on June 16, 2023)	0	0	0	0
General Manager	Jen-Hao Kuo	0	0	0	0
Chief financial officer and chief accounting officer	Dennis Wai-Tak Yau	0	0	0	0
Marine Transportation Business operating officer	Chien-Wan Chuang	0	0	0	0

General Administration Division deputy general manager	Ruei-Da Lin	0	0	0	0
Accounting department senior manager (Accounting officer)	Tzu-Yuan Pei	0	0	0	0
Senior manager, board secretariat	Yen-Ling Lin	0	0	0	0
Investment division senior manager	Hui-Chi Lin	0	0	0	0
Treasury department senior manager	Ko-Hua Chu	0	0	0	0
Corporate governance officer senior manager	Hsin-Kai Kung	0	0	0	0

(II) If the counterparty to whom the shares are transferred is a related party, the name, relationship with the Company, directors, supervisors, officers and shareholders holding more than 10% of the shares, and the number of shares acquired by such counterparty shall also be disclosed: Not applicable.

(III) If the counterparty to whom the shares are pledged is a related party, the name, relationship with the Company, directors, supervisors, officers and shareholders holding more than 10% of the shares, and the number of shares acquired by such counterparty shall also be disclosed: Not applicable.

VII. Information on the relationship among the top 10 shareholders if anyone is a related party, a spouse or a relative within the second degree of kinship of another April 15, 2025

Name	Shareholding by the individual		Shareholding of spouse and minor children		Shareholding in the name of others		The name of and relationship among the top 10 shareholders if anyone is a related party, a spouse or a relative within the second degree of kinship of another		Remarks
	Number of shares	Share-holding (%)	Number of shares	Share-holding (%)	Number of shares	Share-holding (%)	Name (or alias)	Relation	
Henghua Investment Co., Ltd. Person in charge: YUNG-KANG CHUANG	57,065,945	6.92	0	0	0	0	None	None	None
	0	0	0	0	0	0	None	None	
The dedicated account for investment in Leofoo Development Co., Ltd. entrusted to the custody of Capital Securities Corporation	46,358,716	5.62	0	0	0	0	None	None	None
Yonghenghui Investment Co., Ltd. Person in charge: Jen-Hao Kuo	23,791,000	2.88	0	0	0	0	None	None	None
	1,057,006	0.13	0	0	0	0	None	None	
Xundong Investment Co., Ltd. Person in charge: LI, CHENG-CHI	15,154,441	1.84	0	0	0	0	None	None	None
	0	0	0	0	0	0	None	None	
JPMorgan Chase Bank (Taiwan) in custody for Advance Starlight Aggregate International Stock Index Fund	9,797,441	1.19	0	0	0	0	None	None	None

JPMorgan Chase Bank (Taiwan) in custody for Vanguard Emerging Markets Fund Investment Account	9,120,968	1.11	0	0	0	0	None	None	None
CTBC Bank in custody for CTBC Securities Investment Account	6,868,000	0.83	0	0	0	0	None	None	None
JPMorgan Chase Bank (Taiwan) in custody for Advance Trust Stock Index II Investment Account	4,756,000	0.58	0	0	0	0	None	None	None
Citi Commercial Bank (Taiwan) in custody for DFA Emerging Markets Core Securities Investment Account	3,066,960	0.37	0	0	0	0	None	None	None
JPMorgan Chase Bank in custody for JPMorgan Security Investment Account	2,621,879	0.32	0	0	0	0	None	None	None

VIII. The total number of shares and the consolidated equity stake percentage held in any single reinvested enterprise by the Company, its directors, supervisors, managerial officers, or any companies controlled either directly or indirectly by the Company

December 31, 2024 Unit: shares: %

Reinvested enterprises	Investment by the Company		Directors, supervisors, managerial officers, or investment controlled either directly or indirectly by the Company		Total investment	
	Number of shares	Share-holding (%)	Number of shares	Share-holding (%)	Number of shares	Share-holding (%)
ROYAL SUNWAY DEVELOPMENT CO., LTD.	16,500,000	55.00	-	-	16,500,000	55.00
First Steamship S.A.	594	100.00	-	-	594	100.00
First Mariner Holding Ltd.	49,300,000	100.00	-	-	49,300,000	100.00
Praise Maritime S.A.	185,000	100.00	-	-	185,000	100.00
Longevity Navigation S.A.	135,000	100.00	-	-	135,000	100.00
Best Steamship S.A.	170,000	100.00	-	-	170,000	100.00
Grand Steamship S.A.	160,000	100.00	-	-	160,000	100.00
Black Sea Steamship S.A.	110,000	100.00	-	-	110,000	100.00
Ship Bulker Steamship S.A.	120,000	100.00	-	-	120,000	100.00
Reliance Steamship S.A.	120,000	100.00	-	-	120,000	100.00
Alliance Steamship S.A.	120,000	100.00	-	-	120,000	100.00
Sure Success Steamship S.A.	143,000	100.00	-	-	143,000	100.00
Shining Steamship International S.A.	96,000	100.00	-	-	96,000	100.00
Excellent Steamship International S.A.	90,000	100.00	-	-	90,000	100.00
DA YU FINANCIAL HOLDINGS LIMITED	331,660,000	29.11	-	-	331,660,000	29.11
Grand Ocean Retail Group Ltd.	19,552,000	10.00	95,060,000	48.62	114,612,000	58.62
Sandmartin International Holdings Limited	473,869,283	38.52	44,197,255	3.59	518,066,538	42.11
Jia Wang Asset Development Co., Ltd.	-	-	980,000	49.00	980,000	49.00
Ahead Capital Ltd.	-	-	1,550	100.00	1,550	100.00
Media Assets Global Ltd.	-	-	50,000	100.00	50,000	100.00
Heritage Riches Ltd.	-	-	5	100.00	5	100.00
Nature Sources Ltd.	-	-	8,430,000	100.00	8,430,000	100.00
First Mariner Capital Ltd.	-	-	32,920,000	100.00	32,920,000	100.00
Mariner Far East Ltd.	-	-	3,800,000	100.00	3,800,000	100.00
Mariner Capital Ltd.	-	-	28,010,000	100.00	28,010,000	100.00
Mariner Finance Ltd.	-	-	Not applicable	100.00	Not applicable	100.00

THREE. Capital Raising

I. Company capital and shares

(I) Source of capital

Year and Month	Issue price	Authorized capital stock		Paid-in capital		Remarks		
		Number of shares	Amount (NT$)	Number of shares	Amount (NT$)	Source of capital (NT$)	Using property other than cash as payment of shares	Others
2001.12		520 million	5.2 billion	441,622,500	4,416,225,000	-	0	
2002.08		520 million	5.2 billion	211,993,334	2,119,933,340	Capital reduction 2,296,291,660	0	Note 1
2003.02	＊2.8	520 million	5.2 billion	370,564,759	3,705,647,590	＊Cash capital increase by private placement 1,585,714,250	0	Note 2
2004.02		520 million	5.2 billion	243,192,314	2,431,923,140	Capital reduction 1,273,724,450	0	Note 3 Note 4
2004.02	10	520 million	5.2 billion	244,188,000	2,441,880,000	＊Cash capital increase by private placement 9,956,860	0	Note 4
2009.08	10	520 million	5.2 billion	268,606,800	2,686,068,000	Capital increase by retained earnings 244,188,000	0	Note 5
2010.03	43.9	520 million	5.2 billion	269,342,562	2,693,425,620	Conversion of overseas corporate bonds into shares 7,357,620	0	Note 6
2010.08	43.9	520 million	5.2 billion	272,506,337	2,725,063,370	Conversion of overseas corporate bonds into shares 31,637,750	0	Note 7
2010.12	43.2	520 million	5.2 billion	275,187,965	2,751,879,650	Conversion of overseas corporate bonds into shares 26,816,280	0	Note 8
2011.04	43.2	520 million	5.2 billion	277,211,792	2,772,117,920	Retirement of treasury shares of 16,000,000 Conversion of overseas corporate bonds into shares 36,238,270.	0	Note 9
2011.06	43.2	520 million	5.2 billion	279,023,706	2,790,237,060	Conversion of overseas corporate bonds into shares 18,119,140.	0	Note 10
2011.08	43.2	520 million	5.2 billion	280,182,150	2,801,821,500	Retirement of treasury shares 21,030,000 Conversion of overseas corporate bonds into shares 32,614,440.	0	Note 11
2011.12		520 million	5.2 billion	277,617,150	2,776,171,500	Retirement of treasury shares 25,650,000	0	Note 12
2013.01	22	520 million	5.2 billion	377,617,150	3,776,171,500	Cash capital increase of 1,000,000,000	0	Note 13
2016.08		520 million	5.2 billion	370,883,150	3,708,831,500	Retirement of treasury shares 67,340,000	0	Note 14
2017.08	7.6	800 million	8 billion	630,883,150	6,308,831,500	Cash capital increase of 2,600,000,000	0	Note 15

Continued from previous page

Year and Month	Issue price	Authorized capital stock		Paid-in capital		Remarks		
		Number of shares	Amount (NT$)	Number of shares	Amount (NT$)	Source of share capital(NT$)	Using property other than cash as payment of shares	Others
2020.11		1.2 billion	12 billion	686,762,634	6,867,626,340	Capital increase by retained earnings 558,794,840	0	Note 16
2021.04		1.2 billion	12 billion	745,968,008	7,459,680,080	Conversion of overseas corporate bonds into shares 592,053,740	0	Note 17
2021.07		1.2 billion	12 billion	790,372,038	7,903,720,380	Conversion of overseas corporate bonds into shares 444,040,300	0	Note 18
2021.09		1.2 billion	12 billion	834,776,067	8,347,760,670	Conversion of overseas corporate bonds into shares 444,040,290	0	Note 19
2023.04		1.2 billion	12 billion	824,776,067	8,247,760,670	Retirement of treasury shares 100,000,000		Note 20

Note 1: (1) Approved on 2002.7.30 with Letter Tai-Cai-Zheng-Yi-Zi No. 0910131595

(2) Approved on 2002.9.9 with Letter Jing-Shou-Shang-Zi No. 09101358450.

Note 2: Approved on 2003.3.20 with Letter Jing-Shou-Shang-Zi No. 09201075240

Note 3: Approved on 2004.1.27 with Letter Tai-Cai-Zheng-Yi-Zi No. 0930101443.

Note 4: Approved on 2004.3.2 with Letter Jing-Shou-Shang-Zi No. 09301032480.

Note 5: Approved on 2009.8.25 with Letter Jing-Shou-Shang-Zi No. 09801193130.

Note 6: Approved on 2010.5.03 with Letter Jing-Shou-Shang-Zi No. 09901089020.

Note 7: Approved on 2010.9.23 with Letter Jing-Shou-Shang-Zi No. 09901213260.

Note 8: Approved in 2011.2 with Letter Jing-Shou-Shang-Zi No. 10001025230.

Note 9: Approved in 2011.4 with Letter Jing-Shou-Shang-Zi No. 10001083570.

Note 10: Approved in 2011.6 with Letter Jing-Shou-Shang-Zi No. 10001130930.

Note 11: Approved in 2011.9 with Letter Jing-Shou-Shang-Zi No. 10001213270.

Note 12: Approved in 2012.1 with Letter Jing-Shou-Shang-Zi No. 10101004750.

Note 13: Approved in 2013.2 with Letter Jing-Shou-Shang-Zi No. 10201023280.

Note 14: Approved in 2016.8 with Letter Jing-Shou-Shang-Zi No. 10501197110.

Note 15: Approved in 2017.6 with Letter Jing-Shou-Shang-Zi No. 10601071930.

Note 16: Approved in 2020.11 with Letter Jing-Shou-Shang-Zi No. 10901211790.

Note 17: Approved in 2021.4 with Letter Jing-Shou-Shang-Zi No. 11001066170

Note 18: Approved in 2021.8 with Letter Jing-Shou-Shang-Zi No. 11001127950

Note 19: Approved in 2021.9 with Letter Jing-Shou-Shang-Zi No. 11001173680

Note 20: Approved in 2023.4 with Letter Jing-Shou-Shang-Zi No. 11230057560

Share type	Authorized capital stock					Remarks
	Outstanding shares			Unissued shares	Total	
	Already listed	Not listed	Total			
Common stock	824,776,067	-	824,776,067	375,223,933	1,200,000,000-	

Note: The Company does not use the shelf registration system for the issuance of marketable securities.

(II) List of major shareholders

April 15, 2025

Shares / Name of major shareholder	Shareholding	Shareholding (%)
Henghua Investment Co., Ltd. (The person in charge: Yung-Kang Chuang)	57,065,945	6.92
The dedicated account for investment in Leofoo Development Co., Ltd. entrusted to the custody of Capital Securities Corporation	46,358,716	5.62
Yonghenghui Investment Co., Ltd. (The person in charge: Jen-Hao Kuo)	23,791,000	2.88
Xundong Investment Co., Ltd. (The person in charge: LI, CHENG-CHI)	15,154,441	1.84
JPMorgan Chase Bank (Taiwan) in custody for Advance Starlight Aggregate International Stock Index Fund	9,797,441	1.19
JPMorgan Chase Bank (Taiwan) in custody for Vanguard Emerging Markets Fund Investment Account	9,120,968	1.11
CTBC Bank in custody for CTBC Securities Investment Account	6,868,000	0.83
JPMorgan Chase Bank (Taiwan) in custody for Advance Trust Stock Index II Investment Account	4,756,000	0.58
Citi Commercial Bank (Taiwan) in custody for DFA Emerging Markets Core Securities Investment Account	3,066,960	0.37
JPMorgan Chase Bank in custody for JPMorgan Security Investment Account	2,621,879	0.32
Total	178,601,350	21.66

(III) Dividend policy and implementation

1. If the result of the final accounting close concludes the Company makes profits for the period, it should first make up for the accumulated losses, then allocate 10% as legal reserve according to law except when the legal reserve has reached the amount of the Company’s paid-in capital. Then, the special reserve is provided for or reversed as required by law or by the competent authority. The Board of Directors shall prepare a proposal for distributing the remaining earnings, together with the cumulative unappropriated earnings at the beginning of the period, and submit it to the shareholder meeting for resolution.

   The Company's dividend policy is established with reference to the current and future industry dynamics, capital requirements and financial structure. It stipulates that the distributable earnings, unless otherwise reserved, may be paid out in the form of stock dividends or cash dividends, with the cash dividends not less than 10% of the total dividends.

2. Proposal of dividend distribution at the shareholder meeting

   On March 28, 2025, the board of directors of company passed a resolution on the profit distribution and supplement proposal of 2024. The company's undistributed profit at the beginning of the period was NT$0, plus the remeasurement of the defined benefit plan of NT$1,518,377, minus the net loss after tax of 2024 of NT$288,773,334 and the change in equity of associated and joint ventures accounted for using the equity method of NT$963,738, the loss to be made up is NT$288,218,695. No dividends will be distributed; after the resolution of the

shareholders' meeting on June 13, 2025 is passed, it will be handled in accordance with relevant regulations.

3. Expected significant changes in dividend policy: None。

（Ⅳ） The effect of the stock dividends to be resolved at the shareholder meeting on the Company's operating performance and earnings per share：

There is no proposed allotment of free rights shares at this shareholders' meeting.

(V) Correlation of the remuneration to directors, supervisors, and employees with the evaluation of their performance

1. The percentage or range of profits sharing with employees, directors and supervisors as set forth in the Company's Article of Incorporation are as follows：
   The Company should contribute no less than 1% of the profit as employee remuneration and no more than 3% as director remuneration when there is profit (profits before tax minus the distribution of profits sharing with employees, directors and supervisors) for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit.
   Employee compensation could be distributed by cash or shares. The recipients of shares and cash may include the employees of the Company's affiliated companies under certain conditions approved by the board of directors. Directors' remuneration should only be distributed in the form of cash.
2. The basis for estimating the amount in profits sharing with employees, directors and supervisors for the current period, the basis for calculating the number of shares distributed as employee profits sharing, and the accounting treatment if the actual amount of distribution differs from the estimated amount：
   Profits sharing with employees, directors and supervisors is based on profits before tax minus the distribution of profits sharing with employees, directors and supervisors, with no less than 1% as employee profits sharing and no more than 3% as director and supervisor profits sharing. If there is a significant change in the amount of distribution resolved by the Board of Directors before the Board of Directors approves the annual financial statements, the amount difference is posted as an adjustment to the original expense for the year. If there is still a change in the amount after the Board of Directors' approval of the annual financial statements, the amount difference is treated as a change in accounting estimate and posted to the following year. If the Board of Directors resolves to pay stock for employee profits sharing, the basis for calculating the number of shares is the closing price on the day before the Board of Directors' resolution, taking into account the ex-dividends effect.
3. Distribution of profits sharing approved by the Board of Directors.：
   (1) Amount of profits sharing with employees, directors and supervisors distributed in cash or stock. If there is a difference from the amount estimated in the year in which the expense is recognized, the amount of the difference, the reason for the difference, and the treatment of the difference shall be disclosed：
   According to the Company's Articles of Incorporation, if the Company has

earnings, it shall distribute remuneration to employees, directors, and supervisors in cash as required. Since it is a pre-tax loss in 2024, no provision will be made.

(2) The proposed amount of stock-based profits sharing with employees and its proportion to the net profits after-tax and total profits sharing amount to employees for the period: Not applicable。

4. The difference between the actual amount of profits sharing with employees, directors and supervisors in the previous year (including the number of shares distributed, the amount and the price of the shares) and the recognized amount of profits sharing with employees, directors and supervisors, the reasons for the difference and the treatment of the difference should be described：

   The employee remuneration and director and supervisor remuneration provided for 2023 are NT$ 0 and NT$ 0 respectively. There is no difference between the company's estimated amount and the actual distribution situation.

5. According to Article 25 of the Articles of Incorporation, the Company shall pay compensation to directors for their performance of duties based on the extent of their participation in the Company's operations and the value of their contributions, and with reference to the usual standard in the industry in accordance with the Company's Article of Incorporation. In addition, according to Article 25 and Article 31 of the Articles of Incorporation, if the Company has earnings in a given year, it shall allocate no greater than 3% of such profits as director remuneration. Independent directors are not allowed to participate in the distribution of directors' remuneration. The Company assesses directors' remuneration regularly by its "Rules for Performance Evaluation of Board of Directors". The assessment scope includes five indicators, namely, grasp of company goals and tasks, awareness of the duties of a director, extent of participation in the Company's operations, internal relation management and communication, professional and continuing education of directors, and internal control. The performance of the Chairperson is measured by looking at the operating performance indicators and sustainable development indicators. The assessment scope includes the financial statements and sustainability report. The reasonability of performance evaluation and remuneration is regularly reviewed by the Remuneration Committee and the Board of Directors.

   Remuneration to managers are determined by the Company's "Regulations for Management of Remuneration to Directors and Managers", taking into account the prevailing remuneration and welfare standards in Taiwan's Human Resources market and among industry peers Appointed managers shall receive a salary that matches their title, job, education, experience, professional competency, and duties. The scope of regular assessment includes extent of contribution to the Company's profits, work fulfillment rate, cost awareness, work quality , and coordination, based on which reasonable compensation is given. The remuneration system for directors and managers will be reviewed in a timely manner is so required by operating circumstances or relevant laws and regulations.

   Policy on linking senior managerial officers' remuneration with ESG-related performance assessment:

To achieve sustainable operation and emphasize the long-term development of key talent, the Company plans to link sustainability development with incentive compensation for our Chairman and senior managerial officers starting from 2024.

(1) Chairman: Performance indicators - Greenhouse Gas Emissions (10%): Power Saving (5%)、Water Consumption (5%).

(2) For senior managerial officers (General Manager, CEO, Vice General Manager): Performance indicators - Greenhouse Gas Emissions (10%): Power Saving (5%)、Water Consumption (5%).

Target	Indicator	Implementation Method (Weighting)
Chairman	Financial Performance (40%)	
	Risk Management (20%)	
	Compliance with Laws and Regulations (20%)	
	Talent cultivation (10%)	
	Greenhouse Gas Emissions (10%)	Power Saving (5%)、Water Consumption (5%)
Senior Managerial Officers (General Manager, CEO, Vice General Manager)	Greenhouse Gas Emissions (10%)	Power Saving (5%)、Water Consumption (5%)

6. The operating achievements are properly reflected on employees' salary.

To meet the regulatory welfare requirements and formulate a fair, transparent remuneration policy, FIRST STEAMSHIP, aside from providing a remuneration system that is both assuring and stimulating, also offers generous benefits so that employees can concentrate on work and big bonus so that employees can continue to improve themselves.

(1) Fair and just remuneration standards correlated with occupational competency。

(2) Regular, transparent performance evaluation and bonus systems。

(3) Employee welfare guaranteed by the welfare unit。

(4) Defined pension contributions meeting the legal requirements。

According to Article 31 of the Company's Articles of Incorporation, if the Company makes profits during the year (i.e., profits before tax inclusive of profits to be distributed as employee compensation and director compensation), no less than 1% of such profits should be appropriated as employee compensation, aiming to share the Company's operating profits with employees according to their performance, so that their remuneration will grow in tandem with the Company's operating

performance. In addition, the Company has put in place some internal regulations, e.g., Code of Ethical Conduct, and Ethical Corporate Management Best Practice Principles, so as to align employees' conduct with legal requirements, thereby facilitating sustainable development.

7. Set a succession plan for members of the Board of Directors and the key management

Succession plan for the key management and the operation thereof:

(1) Succession Planning and Operation for Board Members: The Company cultivates senior managerial officers to join the Board of Directors, enabling them to become familiar with board operations and the business of various units within the Group. Currently, three senior management personnel serve as directors of the Company, all of whom possess the necessary knowledge, skills, and qualities required to perform their duties.

(2) Succession Planning and Operation for Key Management: The Company arranges on-the-job training courses for managerial officers, encourages and assists them in continuing education (currently one person is pursuing further education at the National Chengchi University Law School Master's Program for working professionals, class of 2024, developing legal expertise for professional managers to enhance business operation safety). Through job rotation, managerial officers become familiar with the operations of various departments within the Company and business units across the Group. The Company currently has five senior managers from four major areas: finance, business operations, investment, and corporate governance, serving as reserves for succession of senior managerial officers.

8. Practice diversity and equality at workplace

The Company offers equal access to men and women alike to promotion. In 2024, female employees accounted for 54.17% of total employees, and female managers accounted for 43.75% of all managers.

(VI) Repurchases of the Company's shares：None。

II. Issuance of corporate bonds: None

III. Issuance of special shares: None

IV. Issuance of overseas depository receipts: None

V. Employee stock option plan: None

VI. Employee restricted stock: None

VII. Mergers and acquisitions (including consolidations, acquisitions and divisions) or issuance of new shares due to acquisition of shares of other companies: None.

VIII. Financing planning and implementation: None.

FOUR. Operation Overview

I. Business content

(I) The main contents of the business are as follows

1. The main contents of the business are as follows：
   (1) F111090 Wholesale of Building Materials.
   (2) F113010 Wholesale of Machinery.
   (3) F113030 Wholesale of Precision Instruments.
   (4) F114010 Wholesale of Motor Vehicles.
   (5) F114060 Wholesale of Ship and Component Parts.
   (6) F211010 Retail Sale of Building Materials.
   (7) F213040 Retail Sale of Precision Instruments.
   (8) F213080 Retail Sale of Machinery and Tools.
   (9) F214010 Retail Sale of Motor Vehicles.
   (10) F401010 International Trade.
   (11) G801010 Warehousing.
   (12) H201010 Investment.
   (13) H701010 Housing and Building Development and Rental.
   (14) H701020 Industrial Factory Development and Rental.
   (15) H701040 Specific Area Development.
   (16) H701050 Investment, Development and Construction in Public Construction.
   (17) H701060 New Towns, New Community Development.
   (18) H703090 Real Estate Business.
   (19) H703100 Real Estate Leasing.
   (20) I101120 Shipbuilding Consulting.
   (21) I102010 Investment Consulting.
   (22) I103060 Management Consulting.
   (23) I401010 General Advertisement Service.
   (24) JB01010 Conference and Exhibition Services.
   (25) JJE01010 Rental and Leasing.
   (26) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Business proportion (%):

Parent company only　　Unit: Thousand NT$

Item	2023		2024	
	Amount	%	Amount	%
Agency income	-	0.00	-	0.00
Rental income	8,489	100.00	8,586	100.00
Consulting Services Income	-	0.00	-	0.00
Total	8,489	100.00	8,586	100.00

Consolidated Unit: Thousand NT$

Item	2023		2024	
	Amount	%	Amount	%
Commission income (department store revenues - associated operations)	1,221,361	22.20	839,261	17.30
Merchandise sales (department store revenues - self operated)	705,830	12.83	529,614	10.92
Rental income	1,058,857	19.25	1,054,050	21.80
Interest income from financial leasing	1,623,355	29.50	1,583,988	32.66
Service income and others	8,391	0.15	5,429	0.11
Total	884,129	16.07	834,650	17.21
Commission income (department store revenues - associated operations)	5,501,923	100.00	4,849,992	100.00

3. Current main services and new products and services planned to be developed

· **Marine Transportation Business**

The Company's marine transportation business is international dry bulk cargo transportation, with cope of operation spanning various secure ports around the world, providing bulk cargo transportation and vessel leasing services to customers from time to time and mainly transporting bulk materials such as grain, ore, coal, fertilizer and other raw materials. At present, the Group has 11 operating vessels, including 5 Kamsarmax, 2 Lightweight and 4 Supramax vessels, which are on period charter, voyage charter, bareboat charter or syndicated charter to provide stable, safe and economical transportation services in seaworthy ports around the world from time to time.

The Group currently has the following operating vessels:

Vessel name	Vessel type	Weight tonnage	Vessel registration
Ever Imperial	Kamsarmax	85,025	Panama
Ever Best	Kamsarmax	81,717	Panama
Ever Grand	Kamsarmax	81,688	Panama
Ever Shining	Kamsarmax	81,842	Liberia
Ever Excellent	Kamsarmax	81,935	Liberia
Ever Alliance	Supramax	57,991	Panama
Ever Reliance	Supramax	57,991	Panama
Ever Success	Supramax	58,086	Panama
Medi Aero	Supramax	57,517	Panama
Ever Brilliant	Handy	28,367	Panama
Ever Gallant	Handy	28,206	Panama

New products and services planned to be developed: None.

· **Department Store Business**

(1) The Company's main operating entity is Grand Ocean Classic Commercial Group Co., Ltd. located in China. It is engaged in department store retail business, with the main sales categories being clothing, jewelry, cosmetics, footwear, sporting goods, household items and others. In line with market demand, it also adds catering, supermarkets, beauty salons, women's SPA, children's entertainment, dance studios, cinemas and other service support projects and online retail business to shopping malls. Currently, the main sales areas of the Company Group are China's first-, second- and third-tier cities, and the end-sales customers are mainly general consumers. Currently, the main revenue sources of the Company Group are divided into three categories, including counter joint counter income, direct counter income and rental, other income and management consulting fees.

(2) Main products and business proportion

Unit: NT$ 1,000; %

Main products	2023		2024	
	Amount	%	Amount	%
Counter joint operation	1,221,361	31.97	839,261	25.94
Counter direct sale	705,830	18.48	529,614	16.37
Rental, other income and management consulting fees	1,892,942	49.55	1,866,040	57.69
Total	3,820,133	100.00	3,234,915	100.00

(3) Current products of the Company: Same as 1.

(4) New products and services to be developed in the future: “The retail enhancement and the experience refinement.” On the basis of the advantageous departments of the major stores, brand abundance will be improved continuously. By refining the experience format, the market share is seized further; the management store model is developed to increase the revenues from business management consulting fees; the functions of the online boundary-free retail department are exerted fully, and the effective collaborations are conducted with vendors, to finely classify, manage and upgrade the Group’s members and the Weimall system continuously; the merchant recruitment department is combined with to find dynamic brands in the market for partnership, and continue to increase entertainment, education and training, boutique supermarkets, and leading food and beverage brands with outstanding performance in the market.

(II) Industry Overview

1. Current state and development of the industry

· **Marine Transportation Business**

Since 2020, the COVID-19 pandemic ravaged the world. All countries adopted the lockdown policy, which seriously affected people's free movement and severely set back the development of the global economy. Major economic powerhouses such as

the United States, Japan, China, Germany, and Russia, etc. all sacrificed economic and financial development while preventing the spread of the pandemic in their countries. Unemployment rose sharply, domestic consumption shrank, the overall macro economy plummeted, crude oil prices plunged, and trade volumes decreased.

The international dry bulk freight market was affected by the negative growth of the global economy caused by the COVID-19 pandemic, and the freight rates were also fluctuating sharply. The pandemic has caused major shipbuilding countries to delay or cancel ship deliveries, and the reduced supply of vessels has eased the downward pressure on the market. The steady growth in demand for grains and iron ore and the decline in fuel oil prices also added some momentum to the market, contributing to a strong rebound in the freight market in July and in the second half of the year, the freight rate finally broke away from the negative shadow. On the whole, the annual freight rate showed a trend of low first and high afterwards.

In response to the fluctuations in the international dry bulk marine transportation market, the fleet is operated on a short and long term charter basis. The marine fleet consists of 11 vessels, all within 10 years of age, 4 of which are operated under profitable long-term contracts and 7 of which are operated under charter or in association with a joint fleet. The combination of the two operating strategies has enabled the marine transportation business to grow steadily in an uncertain environment.

· **Department Store Business**

According to the National Bureau of Statistics report, China's GDP reached RMB 13.5 trillion in 2024, a nominal increase of 4.2% and a real increase of 5.0% at constant prices. The price deflator has been negative for seven consecutive quarters, the same level as during the Asian financial crisis in 1998.

The total retail sales of consumer goods for the whole year was RMB 48.8 trillion, a year-on-year increase of 3.5%. Among them, the total retail sales in December was RMB 4.5 trillion, a year-on-year increase of 3.7%, with the growth rate slightly increasing by 0.8 percentage points from the previous month. Under the influence of national subsidy policies, sales of home appliances, mobile phones, etc. have increased significantly. As New Year's Day and the Spring Festival approach, the growth rate of tobacco and alcohol consumption is also relatively high. However, the growth rate of department store-related categories such as gold jewelry, clothing and cosmetics was basically the same as last year.

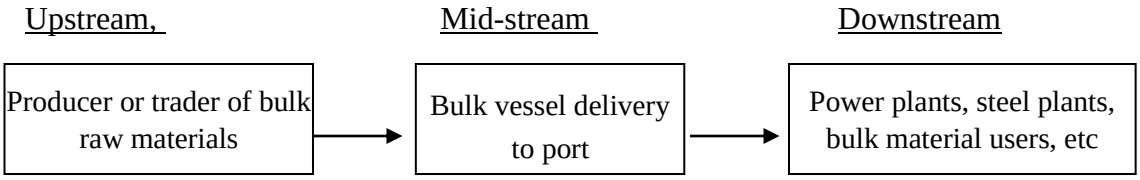
According to data from the China National Commercial Information Center, the annual retail sales of the country's 50 key large-scale retail enterprises (mainly department stores) decreased by 4.3%. In December, the retail sales of the 100 key large-scale retail enterprises decreased slightly by 0.1% year-on-year, which was better than other months of the year.

In 2024, the per capita disposable income of Chinese residents was RMB 41thousand, a real increase of 5.1%; the per capita consumption expenditure was RMB 28 thousand, a real increase of 5.1%. But from the perspective of payment, education expenditure increased by 10% year-on-year, accounting for 11% of total expenditure; transportation and communication expenditure increased by 9% year-on-year, accounting for 14% of total expenditure; while clothing and daily necessities increased by 3% and 1% respectively, and the proportion of total expenditure decreased to about 5%. Although the GDP growth rate in 2024 will reach the planned target of 5%, and

consumption in the fourth quarter will improve compared with the first three quarters, considering that the export growth rate will be difficult to sustain after Trump takes office, the 3.7% growth rate of retail sales in domestic demand still cannot meet the requirements of taking over domestic production capacity, and government departments will need to further stimulate investment and consumption

2. Correlations of upstream, midstream and downstream industries.

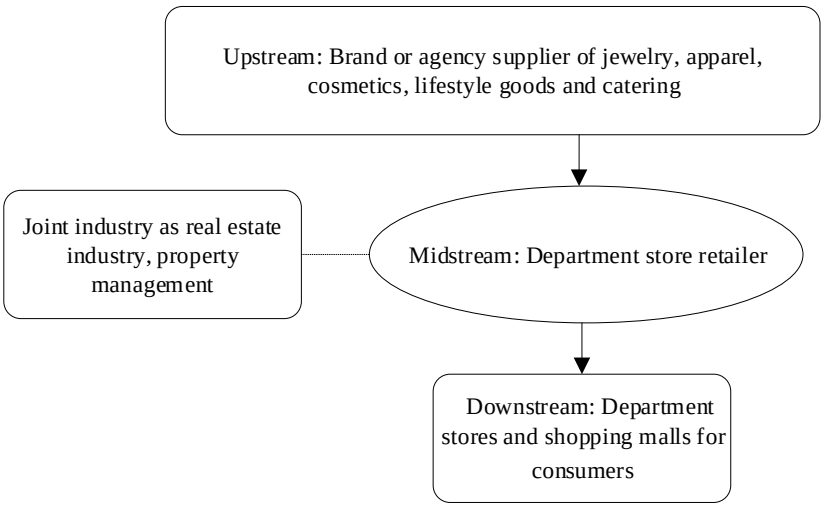
· **Marine Transportation Business**



International bulk marine shipping is a transportation service industry, mainly for bulk cargo delivery. Unlike the general manufacturing industry, there is no obvious relationship between upstream, midstream and downstream as there is no production process or supply of major raw materials similar to that of general products.

· **Department Store Business**

Grand Ocean is specialized at department store marketing, where the main business is to lease commercial real estate and set up department store floor space to provide trading space for brand operators and end consumers. Main operation mode: The Company cooperates with real estate and property companies to complete the establishment of department store space, and then introduces department store counters to the upstream brands or their distributors to sell commodities to consumers. Therefore, the related map of the industrial upstream, midstream and downstream of the Company is shown as follows:



Information Source: Yuanta Securities

3. Development trends of products

· **Marine Transportation Business**

The global shipbuilding industry has returned to stability, and shipyards, to attract

shipowners to order new ships, are designing ships with larger weight tonnage and more environmentally friendly and diverse structures to meet the demand with advanced design concepts. The host and auxiliary machines of the ship are oriented toward speed economy and minimum fuel consumption to reduce operating costs and at the same time, also to meet the environmental requirements of energy saving and carbon reduction.

· **Department Store Business**

With the continuous innovation and breakthrough of the traditional retail model along the tide of new Internet technologies, the development of the industrial chain in the retail industry has found a new direction, and it has been upgraded to a new retail business model with the help of new Internet technologies. The vigorous development of the new retail industry also confirms that the traditional marketing patterns are hardly able to meet the needs of consumers in the new retail era for satisfying the psychological demands of the consumer population. The development trends of the retail industry now are analyzed from six major aspects.

(1) The retail industry will accelerate its adaptation to market changes

To respond to the rapidly changing market, commerce is shifting from mindset prioritizing the product channels to the consumer-oriented development. The constructions of new retail e-commerce system platforms will feature more self-learning and self-adaptive: the focus of commercial development will be shifted from the urban downtown to residential communities, and more retail brands with urban features and regional characteristics will appear in the consumer merchandise market, changing the phenomenon of "undistinguishable stores, undistinguishable merchandise."

(2) Fusion of technology, fashion and lifestyle

First of all, retailers adopt a series of smart applications such as digital signage, electronic fitting rooms, smart positioning, self-service terminals and VR displays to bring the brand new intellectual and scenario-based shopping experience to consumers. Secondly, product functions will remain fast and repetitive computation, and the access to high-tech products will become a new way for consumers to acquire knowledge and demonstrate their personality. Thirdly, retail brands will communicate their brand cultures and brand positioning to consumers more clearly. The purpose of product display is to display lifestyles, and the product categories in a single store will be richer.

(3) Fusion of high-quality goods, services and cultures

China is transforming from a world factory into a world market, and the market of consumer goods still has great growth potential. Brand owners and retailers will seize the development opportunities in the domestic market to build consumers' confidence in local brands and local retailers from three aspects: insisting the self-confidence to cultures, deeply cultivating the domestic market, purifying the market environment, building an ethical retail system, and returning to the spirit of craftsmanship.

(4) Further incorporation of virtuality and reality

With the rapid penetration of mobile Internet, the growth rate of Internet users in China is slowing down. The next focus of competition for e-commerce will be shifted from attracting traffic to tapping customers' consumption potential: improving product and service quality, reducing the rate of negative reviews, and increasing user loyalty; actively deploy offline outlets; through mergers and acquisitions, cross-shareholdings, the interests of e-commerce and brick-and-

mortar stores are bundled to have a win-win stage for the incorporation of virtuality and reality.

(5) Various business formats will be developed in the aggregated and ecological manner

The business environment where the new retail e-commerce platforms to be built in the future will continue to develop toward aggregation and ecology: by being centered on community consumption needs, service consumption needs, and business needs of retail giants, functions such as finance, logistics, and consulting will be more further divided, and the production and service enterprises more professional will develop ecologically, to improve the operating efficiency of large retailers and the quality of residents' consumption.

(6) The social characteristics of the retail industry will become more apparent

In the information era, the information gap between merchants and consumers has been gradually narrowed, and the effect of one-way communication mainly based on advertising has been declining. Word-of-mouth and trust have become key factors for retail brands to be recognized by consumers. Hence, retailers will continue to improve their social attributes by using mainstream social platforms such as WeChat, Weibo, Dianping, and Xiaohongshu, and build a consumer circle by maintaining highly frequent interactions with consumers.

4. Competition situation of products

· **Marine Transportation Business**

The COVID-19 vaccination were launched in many countries, reducing the risk of global infection and the threat of death. The global pandemic slowed down and economic activities started to resume, and all parties were relatively optimistic about economic expectations. The return to normal trade in the U.S. and major economies and the increase in demand for bulk cargos such as coal and iron ore were driving the marine transportation market to gain traction, boosting vessel owners' confidence and keeping freight rates up, giving confidence in the trend of dry bulk cargo prices.

In response to the uncertain factors and changes in the market, the FIRST STEAMSHIP fleet has been able to reduce operating costs, eliminate outdated vessels, and improve operating efficiency with its stability and strength. And will purchase new types of vessels that meet future regulatory requirements at the right time and seek reputable charterers in the market to sign stable and profitable contracts in order to enhance fleet capacity and improve the competitiveness in the marine transportation market.

· **Department Store Business**

According to the statistics of "linkshop.com", since 2024, 10 old department stores in China have announced their closures, of which 5 have completely closed down, and the other 5 will be upgraded or demolished and rebuilt. The department stores that have been closed include Shanghai Meilong Isetan, Shenyang Isetan, Xianning Intime Department Store, Guangzhou Panyu Friendship Department Store, Tianjin Isetan Nanjing Road Store and Tianjin Binhai New Area Isetan.

The main reasons for store closures include lease expiration, heavy operating pressure, declining customer flow and the impact of e-commerce. For example, Shanghai Meilongzhen Isetan Department Store lost approximately RMB 18 million

from March to November 2023, with the loss further expanding compared with the same period of the previous year.

According to the "2023-2024 China Department Store Retail Industry Development Report", 70.1% of department stores' customer traffic has not yet recovered to the 2019 level, and 64.9% of department stores' sales have not recovered to the 2019 level. The main challenges include insufficient spending power (86.3%), the impact of e-commerce (60%), high operating costs and low profits (58.8%), and difficulty in attracting declining customer traffic (53.8%).

Although the department store industry as a whole is facing difficulties, there is still room for high-end businesses, for example, the revenue of Shanghai Henglong Plaza continues to grow. In addition, community commercialization is gradually becoming a trend in China, and some department stores have begun to try to transform into community life centers.

According to Win Commercial Data, there are 514 commercial projects planned to open nationwide in 2024, with a total volume of approximately 45.38 million square meters. Among them, there are 480 shopping centers covering 43.03 million square meters; 4 independent department store projects covering 486,000 square meters; and 30 commercial blocks and cultural tourism commercial projects covering 1.86 million square meters. In comparison, the number of commercial projects planned to open nationwide in 2023 has decreased further, the lowest in nearly eight years. Compared with 2019 before the epidemic, the number and volume have both fallen by more than 40%, and the year-on-year decline from 2020 has also exceeded 30%.

(III) Technology and R&D Overview

· **Marine Transportation Business**

The Company's marine transportation business is in the international bulk shipping service industry, with shipping routes to major ports around the world and sailing between ports on an irregular basis; the department store and retail business are not involved in product R&D and manufacturing, so there are no research and development plans or expenses. However, in view of the characteristics of the industry, the development and training of management personnel and the improvement of the quality of human resources are necessary to enhance the competitiveness of the Company in the future.

· **Department Store Business**

Our group is general merchandise retail business. There is no flaw in the development and manufacture of products. Our management team, department heads and store managers all have 10 to 20 years of experience in retail and department stores. With extensive experience in marketing, business recruitment and adjustment and location selection, we have been developing and nurturing a young talent pipeline over recent years for stores and corporate management. During the past two years, we have recruited many management trainees from key universities. Under our development program, they have become an important workforce in our shops and Unbounded Retail Department. For the future expansion of our Company, we shall further reinforce the development, training and education of human resource by recruiting and retaining excellent retail talents. Then we are able to enrich our stores and improve the level of management.

(IV) Long-term and short-term business development plans

· **Marine Transportation Business**

1. Short-term plans

(1) Implement electronic ship management, improve maintenance efficiency, reduce operating costs, and improve operating efficiency.
(2) Strengthen the professional skills training of crew and shore management, improve ship safety management, and reduce operational risks.
(3) Closely observe the trend of the marine transportation market, carefully evaluate the lease and purchase of vessels at the appropriate time, reduce the average age of the fleet, and increase the fleet's operating utilization.

2. Long-term plans
(1) Expand bulk carrier businesses for both self-owned and chartered vessels.
(2) Promote ship management business and steadily increase operating revenues.
(3) Establish an efficient ship management system and reduce operating costs.

· **Department Store Business**

1. Short-term Business Development Plans of the Company
(1) Coordinating and arranging the Company's annual event planning schedule, improving the Company's planning and operation capabilities in stores, enhancing the effects of marketing activities, and realizing marketing innovation and upgrading.
(2) Fully exerting the strengths of all parties, to improve the quality of the Company's merchant recruitment and operating tasks, and actively improving the business environment and service level to increase the stickiness consumption.
(3) Continuously deepening the membership system management, perfecting the online sales system constantly, and the combining virtuality and reality to enhanced consumer loyalty.
(4) Actively explore different sales channels, reasonably and efficiently use the sales platforms such as Weimall, Xiaohongshu, Tiktok, and Kuaishou, while being committed to expanding more convenient electronic payment methods to enhance the customer stickiness.
(5) Emphasizing the adjustment, modification and upgrading; positioning its own consumer group based on its own feature and environmental characteristics, to formulate appropriate adjustment, modification and upgrading programs, and upgrade the cooperative brands.

2. Our mid-long term business development plans.
(1) The Company's operating theme for 2025 is "Go with the flow and drive both online and offline wheels; respond to the trend and focus on retail experience in both directions", and continue to be committed to deepening the existing market, further seizing market share, and enhancing the company's brand influence.
(2) Looking for the possibility of expanding new markets and new models, innovating the Company's management model, and adapting to the needs of market development.
(3) Continuing to deepen the membership system management, optimizing the management of member hierarchy, scientifically managing members, realizing precise services, and increasing consumption stickiness.
(4) Continue the development department's role and explore better and more appropriate projects for "the third venture" and "building another Grand Ocean".
(5) Optimizing and upgrading brands, reasonably combining business forms, improving brand richness, enhancing market positioning of the Company, and providing high-quality software and hardware services.

3. Business Target

（1）Deeply cultivate online and offline membership management

Grand Ocean has always adhered to the "customer-centric" business philosophy and has accumulated rich membership resources over many years of operation. Through big data and AI technology, we analyze consumers' shopping behaviors and habits, and then implement targeted marketing to meet their personalized and diversified needs, and ultimately achieve precision marketing.

In terms of member management, we conduct data analysis to gain an in-depth understanding of member profiles, and on this basis, we plan a variety of member-only activities, such as member day activities on fixed dates every month, and redemption of high-value points for popular products or services. In addition, traditional offline promotional channels can no longer meet current demand, so it is necessary to promote activities through multiple online and offline channels in advance to attract members to actively participate.

The Boundless Retail Business Department is committed to expanding online sales channels, expanding the scope of online promotions, and actively developing strategic cooperation with mainstream online platforms to make up for the shortcomings of offline sales.Make every effort to promote investment promotion, adjustment, reform and upgrading

Adjustment, reform and upgrading have become the only way for the retail industry to adapt to consumption changes and cope with competition. In 2025, Grand Ocean will focus on promoting investment promotion for 1000 Trees Phase I and Phase II, Wuhan Grand Ocean Center and Fuzhou II Store. Accurately position target brands based on factors such as the city’s economic level, consumption habits and population structure. For example, Shanghai has diverse and high-end consumption, so it can introduce children's experience formats and fashion sports formats that focus on quality and experience; Wuhan has high consumption vitality, focuses on cost-effectiveness and trends, so it can introduce cost-effective brands, trendy domestic products and Internet celebrity restaurants; Fuzhou's developed business districts need brands with quality assurance and local specialty restaurants. By 2025, our goal is to reduce the vacancy rate to less than 10%, providing strong support for the stable development of the group.

(2) Improve efficiency by streamlining administration

Streamlining administration and staffing is a key measure to improve efficiency, reduce costs, enhance flexibility and service quality, and help build business and adapt to market demand. In 2025, Grand Ocean will further optimize store staffing and strictly control redundant costs. At the same time, we will refine the responsibilities of management levels, comprehensively sort out and optimize the team of management-level cadres, and implement an "upward and downward" assessment mechanism. For departments or individuals that fail to meet the standards, set clear rectification deadlines to comprehensively improve management efficiency.

n addition, based on the successful experience of OA time-limited approval, we will regularly collect employees' feedback on the OA system, optimize problems such as cumbersome processes and long approval times, simplify the approval procedures, shorten response time, and improve overall work efficiency.

(3) Strengthen talent training and improve incentive mechanisms

Grand Ocean will further strengthen talent cultivation, break the conventional employment mechanism, tap employees with special talents and potential, and select talents in an eclectic manner. For employees with outstanding performance, regardless of qualifications or academic qualifications, they will be given promotion opportunities or the right to participate in important projects to ensure that talents can maximize their value in suitable positions.

At the same time, we will improve the talent incentive mechanism and deepen the implementation of the target responsibility system for all employees. The system has achieved remarkable results in more than two years since its implementation. In 2024, despite the impact of the overall environment, only a few stores successfully received bonuses, but this proves that we are willing to give employees more rewards as long as the goals are achieved. In 2025, we will further optimize the assessment system, assign responsibilities specifically to management levels and floors, and strengthen monthly assessments. If the target is not achieved, the group will help analyze the problem and develop improvement strategies; if there is no improvement after assistance, the company will be eliminated.

II. Market and production and sales overview

(I) Market analysis

1. Major product sales areas

· **Marine Transportation Business**

The characteristics of bulk carrier businesses are to provide spaces for cargo owners to use and to transport to designated safe ports. Its operation mode can be divided into two major types: (1) Shipowners solicit forwarding businesses from cargo owners and collect freight. (2) Shipowners lease out ships by period charter and receive rental fees. The major businesses of dry bulk carriers are the transportations of bulk materials, such as ore, coal, grains and other dry bulk cargoes. Its market spreads all over the world and it sails on an irregular basis between major ports around the world. Freight rates or rental fees may vary from time to time, depending on market fluctuations.

In recent years, the Group believes that earning revenues ship chartering is a better operating strategy. The cargoes carried and the routes taken by vessels are all instructed by the consignors or charterers. Therefore, it is not possible to differentiate the sales areas because of the characteristics of the industry.

· **Department Store Business**

NT$ Thousand ; %

Region	2023		2024	
	Amount	%	Amount	%
Asia (Mainland China)	3,820,133	100.00	3,234,915	100.00
Total	3,820,133	100.00	3,234,915	100.00

2. Market share

- **Marine Transportation Business**

The Group's bulk carriers have always focused mainly on the international market, supplemented by the domestic market. Due to the huge tonnage of bulk carriers worldwide, the Group's market share is still small in terms of the tonnage of vessels in operation.

- **Department Store Business**

Grand Ocean prefers business districts with crowds and a mature business atmosphere in store site selection. In addition, through reform and innovation, we have completed the adjustment and brand upgrading of many stores. In terms of investment solicitation, business performance is taken as the axis and the market as the leading factor to select the right target customer groups. With the Millennium generation selected as the important customer source in the future, we have introduced a large number of top international cosmetics to meet the market demand, improve the customer flow, and effectively maintain the stability of business performance.

3. Future supply and demand, and growth of the market

- **Marine Transportation Business**

Due to the tight tonnage in the maritime transportation bulk market, the delivery of new vessels is expected to slow down in 2022, resulting in a decrease in the supply of vessel tonnage. However, the trade dispute between the U.S. and China will continue to affect the deployment of enterprises, and geopolitical uncertainties, including the tension between Russia and Ukraine, may cause political and economic turmoil worldwide. Inflationary pressure also brings additional risks to the economic recovery. The growth of international dry bulk cargo transportation volume is on an upward trend, as the demand for iron ore and coal in China and India has been increasing recently. Therefore, the maritime transportation freight market has come out of the bottom of the downturn and welcomed the arrival of spring.

- **Department Store Business**

(1) Future Supply and Demands of Market

According to Lianshang.com, there are 378 commercial projects planned to open nationwide in 2025. The newly added commercial building area is 30.3642 million square meters, with an average single building area of 80,000 square meters.

Judging from the distribution of the seven major regions, East China, as usual, is far ahead with 187 projects planned to open, almost twice as many as South China and Central China, which are in second and third place. The number of commercial projects planned to open in South China is twice that of Central China. South China has 63 projects planned to open in 2025, ranking second among regions.

From the perspective of cities, Shanghai takes the lead with 29 projects planned to open. Nanjing ranks second with 19 commercial projects planned to open, and Hangzhou ranks third.

In terms of scale, the scale development of commercial projects planned to be opened in 2025 will continue the overall trend of previous years. The commercial scale of 50,000-100,000 square meters is the more mainstream choice. Commercial projects of this scale are most suitable for planning as one-stop shopping centers, which not only meet the basic consumer needs such as eating, drinking, playing, and shopping, but also can introduce entertainment formats such as cinemas, theaters, and script-killing. It is a relatively perfect choice. Following closely behind are commercial projects of 20,000 to 50,000 square meters. At a time when shopping malls are becoming more and more homogenized, some developers choose to focus on "small and beautiful" small commercial projects. Whether it is cost control, shopping mall operation, or business format adjustment, small-scale commercial projects have unique advantages. As long as you carefully study the consumer base and magnify your own advantages, small-scale commercial projects can also be successful.

(2) Change of Future Demands of Market

a. Department stores accelerate to become mall-like

After nearly a decade of development, traditional large-sized general department stores are currently saturated. Under the circumstance with severe brand homogeneity (more than 60%) and intensified peer competition, traditional department stores are not only under the strong impacts from e-commerce, but also face the intensification of multi-format competition (such as the continuous emergence of new retail formats), as well as the “cold snap” of sharp surges for operating costs including manpower and rent. In addition, with the improvement of consumption level, consumers’ shopping habits have changed, favoring the diversified shopping experience. Against the backdrop, to respond to the new market landscape, traditional department stores with a relatively single format seek to create the consumption experience alike to shopping malls by adopting all effective means, such as the introduction of fashion brand flagship stores, expansion and renovation of selling spaces, and adding experiential elements in selling spaces. In other words, various needs of consumers are satisfied with a collection of rich formats and functions. Virtuality and reality incorporation and linkage.

b. Virtuality and reality incorporation and linkage

The large-scale application of new technologies such as e-commerce and mobile Internet is an irreversible reform that has increasingly profoundly affected the lifestyles of consumer groups. Against the backdrop, online shopping has developed rapidly and powerfully in China in recent years. Most brick-and-mortar retailers, especially traditional department stores, have been strongly impacted as expected. Meanwhile, more and more department store operators have begun to pay attention to and try the online platform construction.

c. Emphasizing information acquisition and analysis

In terms of information acquisition, it has changed from one-way brand push in the past to top-down consumption guided by users’

word-of-mouth. However, with the development of technology, there are more and more touchpoints between consumers and brands, which is especially evident in the fast fashion consumers in China. According to McKinsey's survey in the past two years, Chinese consumers went through an average of 15 information touchpoints in a single decision-making journey. These include seven offline touchpoints and eight online touchpoints, making the Chinese consumers the consumers having the most touchpoints in all countries. More than half of these information touchpoints are brand-oriented. Brand orientation includes in-store experience, brand advertising, and celebrity endorsements, while the rest of the information touchpoints come from user-led information channels, including other people's displays seen, recommendations from relatives and friends, users' reviews, KOL promotions, and introductions from online information platforms.

d. Chaining, differentiation and multi-format incorporation

The core of department store chain operation lies in the aggregation of production elements and standardized allocation, mainly including channel management of brand merchandise resources, standardized management of store operations, standards of location selection and positioning, and brand management of site conditions. These are generally reflected in three regards such as expansion of business formats, space and organizational mechanism. This operation mode has changed the single and independent form of store organization in department stores in the past. It not only maintains the advantage of mass sales, but also adapts to diversified market demands.

e. In-house merchandise operation is developed gradually

In the department store industry, the capability of in-house merchandises is positioned as "features + supplements;" it is not only a key means to build merchandise differentiation and enhance brand image, but also a core business capability distinguishing department stores from shopping malls. Recently, many research reports show that although the joint operation has been the mainstream business model for a very long period of time, it is no longer possible for department stores to create greater profit margins. On the contrary, the experience of well-known international department stores shows that the in-house merchandise consisting of exclusive operation and self-owned brands creates ample operating profits and forms differentiation.

4. Competitive advantage

- **Marine Transportation Business**

(1) Professional management team

The management team all have complete academic backgrounds and working experiences in the shipping industry and has accumulated extensive exposure and maritime expertise over the years, which enables them to effectively anticipate market dynamics and stably operate the bulk cargo business with lower operating costs, thus helping to enhance the competitiveness of the Group's fleet in the market.

(2) The fleet of vessels are all of the mainstream types in the market

The Group's fleet currently consists of 11 vessels of Kamsarmax, Supramax and Lightweight types with an age of about 5~10 years, which can operate in different markets with different cargoes and port requirements.

(3) Low vessel operating costs

The average age of the vessels operated by the Group is relatively young. Vessels' maintenance, crew, supplies and spare parts are managed by the Company's team, and there are long-term suppliers in some areas, so the operating costs are lower than average in the market.

- **Department Store Business**

(1) Excellent Geographical Location

Grand Ocean Department Store prefer the business district with massive crowds and mature business atmosphere when selecting the site. For the 14 stores which are in operation for example, currently 8 of them are located at the exit of the newly opened MRT stations. Among them, 5 stores are directly connected to the MRT underground passage, especially Nanjing Grand Ocean Classic Commerical Limited, Wuhan Zhongshan Store, and Fuzhou Secondary Store have become two subway line transfer stations, respectively. In addition, 10 department stores are located in mainstream businesses that gather people and cash flow, and have a convenient transportation shopping are. Shiyan Store and Dongjiekou underground shopping streets which are newly opened in 2018 are also both located at the very center of the traditional commercial area in the city. The 1000 trees project, which was launched on December 22, 2021, is located in Suzhou Riverside Art Park, Putuo District, Shanghai.

(2) Experienced Department Store Management Talents

All of the main management class and the chiefs of each store have 10~20 years of experience in the department store retail industry, and are all well experienced in department store sales, marketing strategy, store selection and management, making us more competitive in the store selection and marketing strategy than the peers; The Group has continuously enriched the retail business team and talent training through multiple business executives and store head competitions; social recruitment of reserve cadres, industry senior lecturer training, and multi-city industry communication methods. At the same time, we pay more attention to the younger, more specialized, and highly educated construction management team.

(3) Years-accumulated Customer Groups

Grand Ocean Department Store has accumulated many years of experience in department store management. Under the continuous improvement of service quality, it has won the trust from the consumers in recent years and established a good brand image and basic customer base. The key reasons are mainly in

the contents of the products sold by Grand Ocean Department Store, which are all in line with the needs of consumers, and provide friendly and considerate service quality to meet customer requirements. Under this competitive advantage, we will continue to improve quality management, and establish the retail venues that meet the modern consumer concept, and to attract more young customers to establish a long-term management mechanism and to achieve the goal of sustainable operation.

(4) Formulate and Implement a Scientific Incentive System

In order to further improve the management ability of managers, clarify the responsibilities and objectives, more effectively achieve the performance and benefit indicators and tasks assigned by the Group, encourage the advanced, spur the backward, and provide the basis for promotion, salary increase, demotion and salary reduction, In 2024, the Group will continue to deepen the implementation of the all-employee target responsibility system where the responsibility is insisted to stores, departments, and individuals. For the entire Group, the all-employee target responsibility system is very motivative. Many stores receive the incentives by achieving the goal. By fully implementing the all-employee target responsibility system, and with the open and transparent incentive standards, all employees of the Group are greatly motivated.

(5) Management styles up to date

Grand Ocean has stood at the forefront of the tide for more than 20 years, and the secret is constant self-reflection and keeping pace with the times. We have experienced many crises and overcome many difficulties. Our team has become strong in the process of overcoming difficulties. In view of the unprecedented changes in the current situation, Grand Ocean gives full play to its undaunted spirit, and at the same time, increases the sense of crisis and starts a new venture for the third time; this is the spirit of the post-pandemic era. Grand Ocean should follow Yang-Ming Wang's concept of practice on things and unity of knowledge and action. We should not wait or rely on others, but win the initiative with our own innovation. We firmly believe that we will not be submerged by the trend of the times, but will bravely stand in the forefront of the tide and pursue the future.

5. Favorable and unfavorable factors of development prospects, and corresponding measures

・ Marine Transportation Business

(1) Favorable factors

a. Shortage of vessel tonnage transportation capacity and fierce competition in

the spot market are favorable to the recovery of freight rates.

b. Interest rates remain low, so vessel operating costs are reduced.

c. The demand for raw materials such as iron ore increased due to the war between Russia and Ukraine, which led to an increase in freight market

(2) Unfavorable factors and corresponding measures

a. The COVID-19 pandemic continues to affect the global economy and financial markets.

b. The global oil price increases, which increases the cost of purchasing oil; the vessel repair yard quotation increases, which increases the vessel annual maintenance cost.

c. The freight rates of the bulk shipping business, with the volatility of the regional economic cycle, may face the risk of excessive price fluctuations.

Corresponding measures: In response to the uncertain factors and changes in the market, the FIRST STEAMSHIP fleet has been able to reduce operating costs, eliminate outdated vessels, and improve operating efficiency with its stability and strength. And at the right time, we will purchase new vessels with profitable long-term contracts and reputable charterers to strengthen fleet capacity and enhance competitiveness in the transportation market.

· **Department Store Business**

(1) Merit

a. The new consumption patterns are developed steadily, and the brick-and-mortar retail continues to recover

In 2025, under the strong leadership of the Chinese government, consumption promotion policies will continue to be promoted, the consumer market will continue to recover, new consumption patterns will develop rapidly, green and upgraded consumption demand will continue to be released, essential commodities will grow well, and the proportion of county and township market size will increase.

In 2024, the total retail sales of consumer goods will be RMB 48.8 trillion, a year-on-year increase of 3.5%; among them, retail sales in December increased by 3.7%, a slight increase of 0.8% from the previous month. Under the influence of national subsidy policies, sales of home appliances, mobile phones, etc. have increased significantly. As New Year's Day and the Spring Festival approach, the growth rate of tobacco and alcohol consumption is also relatively high.

b. The consumer market in China has a large scale and great potential, and the consumption continues to be upgraded and developed

The long-term favorable fundamental in the development of the consumer market has not changed. Judging from the recent situation, with the implementation of the optimized pandemic containment and control policies and the orderly recovery of consumption scenarios, the contact-oriented consumptions, such as food and beverages that were greatly affected by the pandemic in the early stage has begun to improve. In terms of the long-term development potential, the total

population of China exceeds 1.4 billion, the urbanization rate is steadily increasing, and the rural market has great potential, strongly supporting the stable recovery and development of consumer market in China The trend of consumption upgrade has not changed. A few years before the outbreak of the pandemic, residents' consumption had shown a trend of upgrading and development. Even under the impact of the pandemic, the trend of consumption upgrading and development has not changed. Currently, the residents' demand for quality continues to increase, the concept of green and eco-friendly has become more penetrated, and the willingness to consume services is still strong. With the innovation and expansion of consumption scenarios, the steady growth of residents' incomes and the continuous improvement of market supply, the consumption structure will continue to be optimized and upgraded.

c. Excellent Brand Images

Since its establishment in 2002, Grand Ocean Department Store has been developing retail industry. It has accumulated many years of practical experience in department store operations. It has successively expanded its position among the riverbanks of Yangtze River and gradually expanded its business scope. All of them have excellent sales performance, trusted and affirmed profoundly by the China consumers. The successful launch of the new Grand Ocean 1000 trees project has attracted the customer flow in Shanghai and even the whole country, and won the top attention

d. Experienced Department Store Management Talents

The Company's main management segments (such as managers of each department, etc.) and its stores have a total of 10 to 20 years of experience in the department store and retail industries, and well-experienced in department store sales, marketing strategies, shop selection and management, which makes the Company more competitive in terms of store selection and marketing strategies than its peers. Furthermore, the excellent management talents can enhance the service quality of the group and provide our consumers with a more comfortable shopping environment. The competitive advantage of the talents is that in the current situation of the department stores, it is impossible for other department stores to reach it within a short time.

(2) Demerit

a. Philosophy does not align with the trait of fashion

The department store industry is a fashion industry. Large-scale department stores are fashion leaders and consumption hubs, representing the commercial prosperity of the city where they are located and the essential market channel for high-end brands. Some department stores are even landmark buildings in the city where they are located. Operation of a department store requires in-depth grasp of fashion trends, and on this basis, the aligning products and services are selected.

The retail industry in China leads international peers in terms of digital applications and experience; however, it also results in some illusions

in the industry that our retail industry is already leading the world. In fact, in many respects, the retail industry in China still has a lot to learn from the world. Regarding the department store format, image display, window design, merchandise management, and customer service, we still have deficiencies. Essentially, many department stores are still operated under the guidance of traditional concepts, but lacking sensitivity to fashion, not to mention the urgency to change traditional concepts. There is a gap between business philosophy and consumer demands, causing a dislocation between demand and supply.

Among these traditional mindsets, some come from the current system, for instance, many department stores are state-owned, and the management mindset of the executives is traditional, and the reforming awareness and motivation of the management are lackluster. Some of these are sourced from themselves. By reviewing the executive information of listed department store operators, nearly 40% of them were born in 70s, very few born were born in the 80s, and most of them were born in the 60s. It is observed that some department stores with strong fashion sense and better management emerged recently generally have one thing in common, that is, the younger operation team.

Countermeasure:

The current retail industry is an era of digital transformation, an era of quality upgrading, and an era of concept shifting. New talents and management teams should be introduced, new concepts, to adopt new concepts and the young teams for better grasping changes in consumers' demands, with the business philosophy better aligning with social trends, to maximize the provision of goods and services matching the demands.

b. Unclear development strategies and directions

Against the backdrop of sluggish overall growth and performance grown poorly in the retail industry, all corporates have to strategically select which way their development shall go individually. In terms of development direction, shall the retail business be insisted? We have seen that some retailers are transforming their development directions. Some are transforming into new energy, some are transforming into office space, some are involved in the field of digital payment, and some are investing in big health. The effects of these transformations or investments have yet to be further observed.

In terms of strategic selection, shall the department store format be insisted? Some have proposed to be shopping mall alike; however,

given the spaces and property conditions of department stores, very few are suitable for transforming into shopping malls. In practice, there are not many truly successful cases. Most of the companies that have been adjusted and modified attempt to adjust partially, such as increasing the number of business formats for kids, and add stores viral online, and they insist on the attributes and models of department stores.

In terms of tactical options, there are still some issues, such as whether to continue to open stores? Should digital investments be increased? Should in-house merchandises be increased? These issues are not agreed to a certain level within the enterprise, and the enterprise has not formed a clear strategy and target system for some issues.

Countermeasure:

In terms of merchandise operation, department stores are stronger than shopping malls. Although the format of department stores does not fully control the sales, prices, and inventory of counters or brands, comparing to shopping malls, their product positioning and brand combination capabilities still obviously outperform. The nature of retail is still merchandise and services, however it changes, the essence and capabilities of "merchandise" in the department store format cannot be lost anymore. The key is to enhance the service quality, improve the consumption environment, and strengthen the comfort of shopping.

c. Lack of means for growing performance

Against the backdrop of overall weak consumption and fierce competition for inventory, most companies lack the means to increase their performance when facing the declining customer traffic resulted from frequent and broad outbreaks of the pandemic. Generally speaking, there are many options for improving the performance, but each option has different difficulties. For instance, to open a new store, it requires a lot of investments, while there is uncertainty about whether the surrounding consumption can support the results of the new store, and there are risks for operation; developing a multi-brand store requires not only a professional team, but also the support of brand owners; by increasing experience format, it means that the rent or rebate revenues may decline when increasing the customer traffic; increase in-house merchandises, issues such as insufficient self-owned funds or professional capabilities is insufficient.

In terms of omni-channel, some companies have achieved good growth relying on community operations, WeChat and applet ecology, as well as live broadcasting. For enterprises that have reserved the capability to incorporate the online and offline operations in the early stage, they respond rapidly after the outbreak, with better exertion of the online business. With the increase in sales volume, inputs of resources and capability have further strengthened the capability in this regard. The continuous impacts of the pandemic resulted new growth points for some enterprises. There are also many department stores, while having consensus on online and offline integration in the early stage, the

digital construction is limited to the internal management system due to limited investment and insufficient emphasis. Therefore, due to the impact of the pandemic, the platforms launched in urgent meet the urgent needs, but cannot support the long-term business needs, and it is difficult to make decisions whether to continue investing due to unclear strategies. From the view of the entire industry, only a few of companies have realized the new growth through digitalization and omni-channel.

Countermeasure:

The online retailing cannot open up the market or reverse the unfavorable situation with only one model or one innovation like the internet. Retail is the details, relying on the accumulation bit by bit and gradual changes, continuous expansion of new platforms and channels, communities meticulously maintained, convert the traffic in the public domain to private domain traffic, refined management of members, and precise services.

d. Unattractive weak products

The department store format is an important venue for high-quality consumption. Relative to other formats, it has higher requirements for merchandise power, which is the core competitiveness. Department stores with outstanding operating performance basically have strong merchandise power, including clear merchandise positioning, differentiated merchandise mix, and competitive merchandise prices, forming relatively high competition barriers.

Most department stores are still in a state of homogeneous competition, manifested in homogenized operations and merchandise. The homogeneity of operation is reflected in the fact where the industry basically adopts joint operation, supplemented with the combination of leasing and partial in-house merchandises. Under the joint operation model, the function of a shopping mall is mainly to attract merchants, as well as the matching of merchandise structure and brand structure, but the grasp of consumer demands and the capability of merchandise selection are insufficient.

Countermeasure:

Improve the quality and pace of merchant recruitment, evaluate the performance and popularity of brands in the market, and regularly optimize and upgrade brands; emphasize adjustments and modifications, with the scientific and reasonable combination of business formats, to gradually upgrade, improve merchandise power and brand awareness.

(II) Major customers in the past two years

Unit: NT$ Thousand.

	2023				2024			
Item	Name	Amount	As a percentage of net sales for the year (%)	Relationship with the issuer	Name	Amount	As a percentage of net sales for the year (%)	Relationship with the issuer
1	CLIPPER BULK A/S	213,697	3.88	Not a related party to the Company	PORT DRAGON CHARTERING INC	173,036	3.57	Not a related party to the Company
2	PORT DRAGON CHARTERING INC	168,364	3.06	Not a related party to the Company	IINO KAIUN KAISHA, LTD	167,795	3.46	Not a related party to the Company
3	OLDENDORFF CARRIERS GMBH AND CO,KG OF LUEBECK/GERMANY	166,522	3.03	Not a related party to the Company	GOLDBEAM SHIPPING INC.	162,303	3.35	Not a related party to the Company
4	IINO KAIUN KAISHA, LTD	164,663	3.00	Not a related party to the Company	CLIPPER BULK A/S	155,131	3.20	Not a related party to the Company
5	CARGILL OCEAN TRANSPORTATION SINGAPORE PTE LTD	160,911	2.92	Not a related party to the Company	D' AMICO DRY LTD.	146,941	3.03	Not a related party to the Company
6	CHINESE POLISH BEIJING INTERNATIONAL FORWARDING CO LTD	139,205	2.53	Not a related party to the Company	BAUMARINE BY MARUKLAV	144,744	2.98	Not a related party to the Company
7	Pacific Basin Supramax Ltd	132,983	2.42	Not a related party to the Company	OLDENDORFF CARRIERS GMBH AND CO,KG OF LUEBECK/GERMANY	136,938	2.82	Not a related party to the Company
8	D' AMICO DRY LTD.	129,223	2.35	Not a related party to the Company	DAMPSKIBSSELSKABET NORDEN A/S	132,246	2.73	Not a related party to the Company
9	Ultrabulk SA	110,684	2.01	Not a related party to the Company	CARGILL OCEAN TRANSPORTATION SINGAPORE PTE LTD	131,292	2.71	Not a related party to the Company
10	PERFECT BULK LIMITED	110,306	2.00	Not a related party to the Company	SWISS MARITIME PTE. LTD.	129,821	2.68	Not a related party to the Company
11	Others	4,005,365	72.80	Not a related party to the Company	Others	3,369,745	69.47	Not a related party to the Company
Total	Net sales	5,501,923	100.00		Net sales	4,849,992	100.00	

The Company's reinvested marine transportation business is a non-scheduled, irregular international bulk cargo business, and its operation is mainly based on time charter, voyage, bareboat or syndication depending on market conditions. While the targets of department stores business are mainly individual consumers. As a result, there is no single factor that affects net sales. Depending on the characteristics of the industry, it is not possible to fully explain the reasons for changes in customer sales.

(III) Total operating revenues in the last 2 years

Unit: NT$ Thousand.

Year	2023	2024
Standalone operating revenues	8,489	8,586
Consolidated operating revenues	5,501,923	4,849,992

(IV) Expected sales volume, applications of major products, production process, raw material supply, sales customers, production volume value, sales volume value: Not applicable.

III. Employees

Year		2023	2024	March 31, 2025
Number of employees	Staff	88	61	57
	Sea crew	222	233	223
	Department store personnel	1,036	906	839
	Total	1,346	1,190	1,119
Average age		42.99	34.53	35.21
Average years of service		6.14	5.27	5.57
Education distribution (%) (%)	Doctor	0.00	0.00	0.00
	Masters	1.93	2.69	2.95
	Junior college	67.61	67.73	67.20
	High school	23.11	22.35	22.61
	Below high school	7.35	7.23	7.24

IV. Environmental Protection Expenditure

- **Marine Transportation Business**

(1) The vessels in the marine transportation business sail almost all year round at sea and have minimal impact on land environment. The vessels are equipped with the necessary equipment in accordance with marine environmental protection regulations. For example, the engine room is equipped with a sewage treatment machine, an oil-water separator and an incinerator. Each fuel pipeline interface is equipped with an oil catch pan to prevent oil from dripping and leaking so as to avoid pollution of the ocean or port waters. All anti-pollution equipment is inspected by the surveyor of the International Association of Classification Societies every year to ensure its proper operation. Newly built vessels are equipped with environmentally friendly and energy-saving host machines, carbon dioxide with low sulfur content; and ballast water treatment system and sewage discharge treatment system to avoid endangering marine life. The Group has acquired shipowner's liability insurance to spread the risk of damages caused by environmental pollution. The Group and all vessels took the lead in implementing the safety management system in mid-October 1996 at the same time to comply with the International Safety Management Code, which became mandatory on July 1, 1998 in order to ensure better the health of the crew and the safety of ship operations, and to achieve the purpose of protecting the marine environment.

(2) Relevant measures to implement the EU Restriction of Hazardous Substances Directive (RoHS) and to avoid affecting the rights and interests of investors: Not applicable.

(3) For 2024 and the current year up to the date of publication of the annual report, the Group has not suffered any losses or penalties for environmental pollution. It has no significant capital expenditures for environmental protection.

(4) Corresponding measures for Improvement and possible expenditures: None.

- **Department Store Business**

The Company belongs to department store industry, as being a non-production enterprise, no facility equipment nor emission permit application requirements, and is not subject to the possibility of environmental protection agencies; hence, there are no major environmental issues or expenditures.

V. Labor relations

(I) The Company's various employee welfare measures, education, training and retirement systems, and their implementation as well as agreements between management and employees of the Group and measures to protect the rights and interests of employees:

- **Marine Transportation Business**

(1) Employee welfare measures

In accordance with law, acquire labor insurance, national health insurance, and group term life insurance (including medical), as well as offer benefits such as health checkups, birthday gifts, wedding and funeral stipends, and annual festival grants. The Company has a welfare committee responsible for handling various employee welfare matters.

(2) Continuing education and training

The crew exercises various drills from time to time to ensure the safety of life and cargo. Depending on the business and work requirements, employees attend various training courses to absorb new information, enhance professional ability, and improve work efficiency.

(3) Retirement System and Implementation

In accordance with the Labor Standards Act, each employee who chooses the old scheme of labor pension will receive 2 base figures for each year of service in the first 15 years, and 1 base figure for each year of service starting in the 16th year, up to a maximum of 45 base figures. Employee pensions are calculated based on the length of service and the average salary of the last month prior to retirement. The Company contributes 13% of employees' monthly salaries as their pension reserve funds to a special-purpose account in the Bank of Taiwan in the name of the Supervisory Committee of Labor Retirement Reserve in accordance with the Regulations for the Allocation and Management of the Workers' Retirement Reserve Funds. For employees who choose the new scheme of the labor retirement systems, 6% of their monthly insured salary will be contributed to their personal accounts at the Bureau of Labor Insurance.

(4) Measures to protect the rights and interests of employees

In accordance with the Labor Standards Act and the spirit of gender equality in the workplace, the company has established HR management rules and worker safety and health work guidelines, building a relationship of mutual trust to ensure the protection of employee rights. In the work rules, various employee behaviors or ethical guidelines are stipulated; these are prioritized as an important item in the year-end evaluation. And to ensure the fulfillment of all these rules, a comprehensive reward and punishment system is in place.

(5) Other important agreements: None.

· **Department Store Business**

(1) Employee Welfare

In addition to the various welfare measures, the Group has a special department responsible for planning and implementing employee benefits to promote the development of the company's human resources. At present, the Company provides employee insurance benefits measures in addition to the employee's medical insurance, basic employee pension insurance, unemployment insurance, employee injury insurance, maternity insurance and housing provident fund, as well as personal accident insurance. In addition to the insurance and welfare measures, the employees of the Group also enjoy welfare measures such as company feeding (employees at department stores), paid holidays, birthday cake coupons, health checks and condolences, and enjoy the festival bonuses during the Spring Festival and Mid-Autumn Festival. Bonus and year-end bonuses are

determined based on the quarterly performance of each store and the approved level of personnel assessment.

(2) Education and Training

In order to improve the quality and work skills of employees and enhance the efficiency and quality of work, the Company has compiled an education and training budget for employee training. Each department store location arranges induction training and professional skills improvement training for new employees. In 2024, each store completed 22 induction training sessions for new employees, training a total of 37 people; arranged 73 training sessions for new sales staff, training a total of 1,100 people; 261 professional skills training sessions, training a total of 5,042 people (including 11 training sessions for effective customer complaints and crisis handling in compulsory courses, training a total of 224 people; 11 training sessions for the improvement of communication skills and negotiation skills, training a total of 203 people; 11 training sessions for refined operation management, training a total of 150 people; 11 training sessions for Mobo Yunzhou related courses, training a total of 195 people; 7 training sessions for efficient work, training 247 people; 5 training sessions on the actual operation and use of CAD, with a total of 72 people trained; 9 training sessions on shopping mall safety management, with a total of 218 people trained; 6 training sessions on service etiquette, with a total of 335 people trained; 5 training sessions on market industry dynamics analysis, with a total of 85 people trained; 6 training sessions on financial internal work processes and the latest tax policies, with a total of 45 people trained; 6 training sessions on team awareness and cohesion, with a total of 374 people trained; 38 training sessions on supervisor improvement, with a total of 803 people trained; 7 training sessions on service skills (I), with a total of 28 people trained; 8 training sessions on service skills (II), with a total of 73 people trained; 36 CPOS training sessions, with a total of 474 people trained; 21 online training sessions, with a total of 304 people trained; in addition, 63 other training sessions, with a total of 1,212 people trained).

(3) Retirement System and Implementation

The operating bases of the Company, the various department stores of the Grand Ocean Classic Commercial Group, have paid monthly pensions to the local government finance department accounts in accordance with the “Regulations on Basic Pension Insurance for Enterprise Employees” in the country of operation. And the company assist employees to go through retirement procedures at the legal retirement age of employees in accordance with the law.

(4) Labor Coordination

The Company always attaches great importance to employees' rights and interests, and the labor relations are harmonious. The Company attaches importance to the opinions of employees. Employees can directly communicate with the human

resources department or appropriate senior executives to maintain good relations. Therefore, no major labor disputes have occurred so far.

(5) Various Employee Rights Maintenance Measures

The Company has internal control and various management methods, which clearly define employee rights and obligations and welfare items, and regularly review the welfare content to protect employees' rights and interests.

(II) Working environment and employee safety protection measures.

The Group has safety and health management personnel and has set up various safety measures such as fire-fighting facilities, emergency evacuation routes and notification systems to prevent accidental disasters. In accordance with requirements of the Labor Safety and Health Act and the MLC Code for ships, the Labor Safety and Health Work Rules have been established, and warning signs are marked on dangerous equipment to require employees to be in full compliance to ensure a safe working environment. Implement regular maintenance of elevator and fire fighting facilities, strengthen access control, and arrange labor safety and fire fighting training and health inspection to protect employees' life and safety. As for the “Sexual Harassment Prevention Act,” in addition to strengthening educational propaganda, there are also complaints and disciplinary measures to protect employees.

In 2024, the number of fire disasters in First Steamship was zero and the number of casualties was zero. In response to and in anticipation of fire hazards, the Company has set up fire detection devices, automatic sprinkler systems and placed fire extinguishers (cylinders), escape exit guide signs and keep the escape exits unobstructed, organized safety and health education training from time to time and required every employee to participate in order to reduce the chance of accidents, implemented fire safety drills and CPR education training for employees every year, and hired external professional organizations to inspect fire equipment (including office interior and exterior around the entire building) three times per year to ensure the safety of life, property and the work environment. Therefore, in 2024, First Steamship had no record of occupational accidents, complaints, occupational diseases, or infections among employees.

(III) Losses incurred due to labor-management disputes in the last year and the current year up to the date of the publication of the annual report and disclosure of the estimated amount of current or future potential losses and corresponding measures:

Based on co-existence, co-prosperity and mutual understanding, the Group values employees' rights and interests and has harmonious labor relations without major disputes. The company always respects employees' feedback, who can reflect their opinions at any time through meetings, emails or mailboxes, and there is no obstruction in the communication between management and employees. Therefore, there have been no losses or penalties due to labor disputes in 2024 and the current year up to the date of publication of the annual report.

VI. Information security risks and protective measures

In order to comply with government regulations, the Company's cyber security policy will be established in accordance with ISO 27001, taking into account the Company's needs, to

strengthen information management and to ensure that the confidentiality, integrity, and availability of the Company's information assets meet the requirements of relevant laws and regulations, so that they are protected from intentional or accidental threats, both internal and external. The Company's annual cyber security goals are to "establish in-depth cyber security and strengthen information joint defense" and "deepen cyber security awareness and enhance security early warning". The Company's cyber security risk management framework identifies the two information security issues that have the greatest impact on the Company and occur most frequently as "digital information security risks" and "general data protection regulations".

The Company's response and actions:

1. We purchased the latest and most protective software and hardware equipment to strengthen various protective updates and replace old equipment to establish a complete information system security protection network, including firewall enhancements, server rooms, network equipment, network connections, and personal information device management to ensure data protection.

   【Day-to-day management measures】:

   a. Send a firewall report daily; check information security event log of the previous day; examine and analyze the state of alert events.
   b. Raise information security awareness of employees, and require them not to click on an E-Mail of unknown sources or download files of unknown sources.
   c. Back up the results every day and mail them to IT personnel to check relevant progress.
   d. Set up a firewall and back up data every month.
   e. Monitor the state of the computer room every day, e.g., temperature control, examination of indicator light, stable power supply, and access control on personnel.
   f. Monitor the status of network connection and e-mail exchange to ensure normal operation.
   g. Every employee has executed an Undertaking of Confidentiality, which prohibits employees from taking business materials out of the Company, visiting an illegal website, installing software other than that of the Company, or attaching storage device. All of the 45 persons required to sign have signed.

2. We strengthen the education and training in personnel's information security awareness, and conduct timely information security-related information announcements and promotion through various channels in order to raise employees' awareness of information security.

   【Day-to-day management measures】:

   a. The information department personnel shall participate in relevant training activities or seminars held externally to learn cyber security protection mechanism and the latest cyber security attack patterns and cyber security protection energy. E.g., information security awareness sessions held by the competent authority, information security management courses organized by external professional institutions.
   b. The IT Department holds awareness sessions on cyber security to communicate the

importance of cyber security and the musts and must-nots.

Information security education and training in 2024:

Time	Course name	Number of	Remarks
October 17, 2024	Enterprise Transformation: How to Balance Intelligent Security Risks for Triple-Win Outcomes	41 people	Taiwan Corporate Governance Association was hired to lecture on-site for 3 hours.
December 27, 2024	Information Security Seed Education Training Promotion	15 people	Each department designated a representative to attend the course for one hour.

c. The IT Department presents information security incident cases to all employees, to acquaint them with signs of cyber security risks and improve their cyber security literacy.

Manpower and resources invested by the Company in cyber security:

a. The information security management team comprises one manager, and one senior IT personnel.
b. The manager who is also in the cyber security team attended 16-hour “ISO27001” training courses, passed the examination at the conclusion of the courses, and obtained an “ISO27001” certificate.
c. Information Security Conference in 2024:

Time	Agenda Content	Number of	Highest level of the meeting	Reporting Officer
June 5, 2024	Establishment of Information Security Prevention Mechanism	3	General Administration Division deputy general manager	Director of Information Department, Senior Engineer
October 16, 2024	Ares Safety Disaster Recovery Exercise Program	3	General Administration Division deputy general manager	Director of Information Department, Senior Engineer
December 5, 2024	Annual Review Meeting of Ares Safety	3	General Administration Division deputy general manager	Director of Information Department, Senior Engineer
December 27, 2024	Seed Education and Training Awareness Session on Information Security	15	General Administration Division deputy general manager	Director of Information Department, Senior Engineer

Losses suffered by the Company due to significant cyber security incidents:

For the most recent year and for the current year up to the publication of the Annual Report, the loss and possible impact due to major cyber security incidents is zero.

VII. Significant Regulatory

Contract nature	Party	Contract start and end date	Main content	Restrictions
Borrowing contracts	The Company and First Commercial Bank	2024.06.21～2025.05.06	Interest is charged monthly and the principal is repaid once at maturity.	None
	The Company and Bank of Taiwan	2024.12.26～2025.12.26	Interest is charged monthly and the principal is repaid once at maturity.	None
	The Company and Bank of Panhsin.	2024.09.18～2025.09.18	Interest is charged monthly and the principal is repaid once at maturity.	None
	The Company and Mega International Commercial Bank	2024.08.25～2025.08.25	Interest is charged monthly and the principal is repaid once at maturity.	None
	The Company and Taishin International Bank	2020.11.05～2024.11.05	Interest is charged monthly and the principal is repaid once at maturity.	None
	The Company and Hua Nan Commercial Bank, Ltd.	2024.02.23～2025.04.18	Interest is charged monthly and the principal is repaid once at maturity.	None
	The Company and EnTie Commercial Bank	2024.07.22～2026.07.22	Interest is charged monthly and the principal is repaid once at maturity.	None
	The Company and KGI Bank Co., Ltd.	2023.12.29～2025.12.29	Interest is charged monthly and the principal is repaid once at maturity.	None
	The Company and Chang Hwa Commercial Bank, Ltd.	2021.02.03～2026.02.03	Joint credit facility the Company entrusted Chang Hwa Bank to coordinate and apply for.	None
	The Company and Taichung Commercial Bank Co., Ltd.	2025.01.23～2028.01.23	Interest is charged monthly and the principal is repaid in installments	None
	The Company and Taiwan Shin Kong Commercial Bank Company Ltd.	2020.11.20～2026.11.20	Interest is charged monthly and the principal is repaid once at maturity.	None
Guarantee contracts	The Company and International Bills Finance Corporation	2024.02.27～2025.04.15	Entrusted guarantee	None
	Alliance Steamship S.A. and Bank of Taiwan	2014.07.25～2025.07.25	Interest is charged quarterly and the principal is repayable in installments.	None

Contract nature	Party	Contract start and end date	Main content	Restrictions
	Best Steamship S.A. and Bank of Panhsin	2021.06.03～2026.06.03	Interest is charged monthly and the principal is repayable in installments.	None
	Excellent Steamship International S.A. . and Bank of Taiwan	2021.06.07～2032.03.08	Interest is charged quarterly and the principal is repayable in installments.	None
	Grand Steamship S.A. and Hua Nan Commercial Bank, Ltd.	2024.01.31～2026.07.31	Interest is charged monthly and the principal is repayable in installments.	None
	Longevity Navigation S.A. and Bank of Panhsin	2025.02.24～2027.08.01	Interest is charged monthly and the principal is repayable in installments.	None
	Praise Maritime S.A. and Land Bank of Taiwan	2016.08.22～2026.07.22	Interest is charged monthly and the principal is repayable in installments.	None
	Reliance Steamship S.A. and EnTie Commercial Bank	2021.06.23～2026.06.23	Interest is charged quarterly and the principal is repayable in installments.	None
	Sure Success Steamship S.A. and EnTie Commercial Bank	2021.06.25～2025.01.25	Interest is charged quarterly and the principal is repayable in installments.	None
	Sure Success Steamship S.A. and Taichung Commercial Bank Co., Ltd.	2025.01.22～2028.01.22	Interest is charged monthly and the principal is repayable in installments.	None
	Shining Steamship International S.A. and Hua Nan Commercial Bank, Ltd.	2020.08.19～2031.02.25	Interest is charged monthly and the principal is repayable in installments.	None
Insurance contracts	The Company and AIG Asia Pacific Insurance Pte. Ltd, Taiwan Branch	2024.12.05～2025.12.05	The Company and AIG Asia Pacific Insurance Pte. Ltd, Taiwan Branch entered into a contract for directors' and managerial officers' liability insurance.	None
Lease agreements	ALLIANCE STEAMSHIP S.A. and SWISSMARINE PTE LTD, SINGAPORE	2023.11~2024.12	Chartering of the Company’s vessels	None
	ALLIANCE STEAMSHIP S.A.and XIANGLONG SHIPPING COMPANY LIMITED	2024..12~2025.02	Chartering of the Company’s vessels	None
	ALLIANCE STEAMSHIP S.A.and DRYDEL SHIPPING DMCC	2025.02~2025.03	Chartering of the Company’s vessels	None
	BLACK SEA STEAMSHIP S.A.and CLIPPER BULK SHIPPING LTD	2023.11~2024.09	Chartering of the Company’s vessels	None
	BLACK SEA STEAMSHIP S.A.and CHINA STEEL EXPRESS CORP	2024.10~2024.10	Chartering of the Company’s vessels	None

Contract nature	Party	Contract start and end date	Main content	Restrictions
Lease agreements	BLACK SEA STEAMSHIP S.A.and RIGHT OCEAN INTERNATIONAL SHIPPING LIMITED	2024.11~2024.12	Chartering of the Company’s vessels	None
	BLACK SEA STEAMSHIP S.A.and LIGHTHOUSE NAVIGATION PTE LTD	2024.12~2025.10	Chartering of the Company’s vessels	None
	SHIP BULKER STEAMSHIP S.A.and CLIPPER BULK SHIPPING LTD	2024..01~2024.11	Chartering of the Company’s vessels	None
	SHIP BULKER STEAMSHIP S.A.and SOCIETE INDUSTRIELLE DE PLATRE DU SUD (SIPS)	2024.11~2025.01	Chartering of the Company’s vessels	None
	SHIP BULKER STEAMSHIP S.A.and AXLE MARINE PTE LTD	2025.01~2025.03	Chartering of the Company’s vessels	None
	GRAND STEAMSHIP S.A.and OLDENDORFF CARRIERS GMBH & CO. KG	2023.12~2024.11	Chartering of the Company’s vessels	None
	GRAND STEAMSHIP S.A.and WESTERN BULK PTE LTD	2024.11~202508	Chartering of the Company’s vessels	None
	LONGEVITY NAVIGATIONA S.A.and D' AMICO DRY LTD.	2016.01~2024.01	Chartering of the Company’s vessels	None
	LONGEVITY NAVIGATIONA S.A.and D' AMICO DRY LTD.	2024.01~2025.01	Chartering of the Company’s vessels	None
	LONGEVITY NAVIGATIONA S.A. and D' AMICO DRY LTD.	2025.01~2026.01	Chartering of the Company’s vessels	None
	PRAISE MARINE S.A. and IINO KAIUN KAISHA, LTD	2023.11~2025.11	Chartering of the Company’s vessels	None
	RELIANCE STEAMSHIP S.A. and CARGILL OCEAN TRANSPORTATION SINGAPORE PTE LTD	2023.11~2024.01	Chartering of the Company’s vessels	None
	RELIANCE STEAMSHIP S.A. and CARGILL OCEAN TRANSPORTATION SINGAPORE PTE LTD	2024.01~2025.01	Chartering of the Company’s vessels	None
	RELIANCE STEAMSHIP S.A. and NOVA MARINE CARRIERS SA	2025.01~2025.11	Chartering of the Company’s vessels	None
Lease agreements	SURE SUCCESS STEAMSHIP S.A.and ULTRABULK A/S	2023.05~2024.01	Chartering of the Company’s vessels	None
	SURE SUCCESS STEAMSHIP S.A.and PACIFIC BASIN SUPRAMAX LTD	2024.01~2024.04	Chartering of the Company’s vessels	None
	SURE SUCCESS STEAMSHIP S.A. and DAMPSKIBSSELSKABET NORDAN A/S	2024.04~2025.01	Chartering of the Company’s vessels	None

Contract nature	Party	Contract start and end date	Main content	Restrictions
	SURE SUCCESS STEAMSHIP S.A. and DAMPSKIBSSELSKABET NORDAN A/S	2025.01~2025.03	Chartering of the Company's vessels	None
	SHINING STEAMSHIP INTERNATIONAL S.A. and CHIPOLPEK (CHINESE POLISH (BEIJING) INTERNATIONAL FOWARDING CO., LTD)	2021.01~2024.01	Chartering of the Company's vessels	None
	SHINING STEAMSHIP INTERNATIONAL S.A. and GOLDBEAM SHIPPING INC	2024.01~2026.01	Chartering of the Company's vessels	None
	EXCELLENT STEAMSHIP INTERNATIONAL S.A. and PORT DRAGON CHARTERING INC	2021.08~2026..09	Chartering of the Company's vessels	None
Operation Agreemen	BEST STEAMSHIP S.A. and BAUMARINE BY MARUKLAV	2021.01.09~ No termination date (either party may terminate the contract by written notice before the end of any voyage).	Operate the vessels for the Company	None
Borrowing contracts	Mariner Finance Ltd. and Sunny Bank Ltd.	2022.06.13～2025.06.13	Interest is charged quarterly and the principal is repayable in installments.	None
	Mariner Finance Ltd. and SIIC Leasing	2021.08.31～2022.08.31	Interest is charged monthly and the principal is repayable in installments.	None
	Mariner Finance Ltd. and Jinan Asia United Finance Co., Ltd.	2023.06.10～2024.06.10	Interest is charged monthly and the principal is repayable in installments.	None
		2024.07.30～2025.07.28		
	Haikou Zhuke Technology Co., Ltd. and IBT International Leasing Corp.	2023.01.05～2028.01.04	Interest is charged monthly and the principal is repayable in installments.	None
Borrowing contracts	ROYAL SUNWAY DEVELOPMENT CO., LTD. and Bank of Panhsin	2023.09.27～2024.09.27	Loans for finished houses for sales purpose.	None
		2024.09.27～2025.09.27	Loans for finished houses for sales purpose.	None
	ROYAL SUNWAY DEVELOPMENT CO., LTD. and Taichung Commercial Bank	2023.11.18～2024.11.24	Loans for finished houses for sales purpose.	None
		2024.11.18～2026.05.18	Loans for finished houses for sales purpose.	None
Borrowing contracts	ROYAL SUNWAY DEVELOPMENT CO., LTD. and Shin Kong Commercial Bank	2023.11.20～2026.11.20	Construction financing	None
	ROYAL SUNWAY DEVELOPMENT CO., LTD. and Taishin International Bank	2022.07.13～2024.11.05	Construction financing	None
		2024.11.05～2029.11.05	Construction financing	None

Contract nature	Party	Contract start and end date	Main content	Restrictions
Joint construction contract	The Company and Chengshi International Investment Co., Ltd. as well as ROYAL SUNWAY DEVELOPMEN	2020.11.16	Joint construction contract for Cadastral Number 55, 70, 73 and 74 of Yongfu Section, Tucheng District, New Taipei City	None
Joint construction supplementary contract		2022.10.31	Joint construction supplementary contract for Cadastral Number 55, 70, 73 and 74 of Yongfu Section, Tucheng District, New Taipei City	

Contract nature	Party	Contract start and end date	Main content	Restrictions
Finance Contract	The Company and Chinatrust Bank Hong Kong Branch	2024/11/29-2025/11/29	The Company and CTBC Bank had cosigned a letter of credit for the financing amount and banking services provided by the latter.	NONE
	The Company and BEA	2022/11/04~2025/11/04	The Company and BEA had cosigned a letter of credit for the financing amount and banking services provided by the latter.	Letter of Credit opened by Bank of East Asia (China) Limited
	The Company and BEA	2024/07/05-2025/07/05	and BEA had cosigned a letter of credit for the financing amount and banking services provided by the latter.	Letter of Credit opened by Bank of East Asia (China) Limited
	The Company and KGI Bank	2023/12/29~2025/12/29	The Company and BEA had cosigned a letter of credit for the financing amount and banking services provided by the latter.	NONE
	The Company and Hua Nan Bank	2023/11/08-2026/11/08	The Company and Hua Nan Bank had cosigned a letter of credit for the financing amount and banking services provided by the latter.	NONE
	Wuhan Grand Ocean Classic Commerical Develpoment Ltd. and Hankou Bank Co., Ltd. Wanda Plaza Branch	2022/11/03~2025/11/03	Wuhan Grand Ocean Classic Commerical Develpoment Ltd. acquired a credit facility of real estate mortgage loan from Hankou Bank Co., Ltd. Wanda Plaza Branch.	Real Estate Mortgage Setting

Contract nature	Party	Contract start and end date	Main content	Restrictions
Finance Contract	Grand Ocean Classic Commerical Group Co., Ltd. and China Merchants Bank Co., Ltd. Shanghai Tianshan Branch	2022/12/12~2025/12/11	Grand Ocean Classic Commerical Group Co., Ltd. acquired a credit facility of real estate mortgage loan from China Merchants Bank Co., Ltd. Shanghai Tianshan Branch.	Real Estate Mortgage Setting
	Grand Ocean Classic Commerical Group Co., Ltd. and CTBC Bank Shanghai Branch	2024/09/26~2025/09/26	Grand Ocean Classic Commerical Group Co., Ltd. acquired a credit facility of real estate mortgage loan from CTBC Bank Shanghai Branch	Real Estate Mortgage Setting
Insurance Contract	The Company and Fubon Product Insurance Co., Ltd.	2024/10/01~2025/10/01	The Company and Fubon Product Insurance Co., Ltd. has cosigned a liability insurance contract for Directors and managers.	NONE
Lease Contract	Taiwan Office of the Company and the Final Parent Company – First Steamship Co., Ltd.	2024/07/01~2025/06/30	Taiwan office of the Company leased an office from First Steamship Co., Ltd.	NONE
	Grand Ocean Classic Commerical Group Co., Ltd. and Shanghai Tianan Center Building Co., Ltd.	2016/05/01~2026/04/30	Grand Ocean Classic Commerical Group Co., Ltd. leased an office from Shanghai Tianan Center Building Co., Ltd.	NONE
	Nanjing Grand Ocean Classic Commerical Limited and Nanjing Tiandu Industrial Co., Ltd.	2023/01/01~2032/12/31	Nanjing Grand Ocean Classic Commerical Limited leased the department store location from Nanjing Tiandu Industrial Co., Ltd.	NONE
	Nanjing Grand Ocean Classic Commerical Limited and Nanjing Red Sun Real Estate Development Co., Ltd.	2011/05/01~2031/04/30	Nanjing Grand Ocean Classic Commerical Limited leased the properties as the department store location for Nanjing Secondary Store from Nanjing Red Sun Real Estate Development Co., Ltd.	NONE
	Hefei Grand Ocean Classic Commerical Development Limited and Anhui Meiyuan Investment Real Estate Co., Ltd.	2021/05/01~2036/09/30	Hefei Grand Ocean Classic Commerical Development Limited leased the department store location from Anhui Meiyuan Investment Real Estate Co., Ltd.	NONE

Contract nature	Party	Contract start and end date	Main content	Restrictions
Lease Contract	Wuhan Holding Company Limited Wuhan Grand Ocean Classic Commerical Develpoment Ltd. and Wuhan Holding Company Ltd.	2025/02/01~2030/01/31	Wuhan Grand Ocean Classic Commerical Develpoment Ltd. leased the department store location from Wuhan Holding Company Ltd.	NONE
	Wuhan Optics Valley Grand Ocean Commerical Development Limited and Wuhan Lijia Real Estate Co., Ltd.	2008/04/01~2028/03/31	Wuhan Optics Valley Grand Ocean Commerical Development Limited leased the department store location from Wuhan Lijia Real Estate Co., Ltd.	NONE
	Yichang Grand Ocean Commerical Limited and Yichang Xinhengji Investment Development Co., Ltd.	2011/09/10~2031/09/09	Yichang Grand Ocean Commerical Limited leased the department store location from Yichang Xinhengji Investment Development Co., Ltd.	NONE
Lease Contract Supplementary Agreement	Yichang Grand Ocean Commerical Limited and Yichang Xinhengji Investment Development Co., Ltd.	2017/10/10~2031/09/09	To increase the area of the leased basement floor, with an area of approximately 5,300 square meters.	NONE
Lease Contract	Fuzhou JIARUIXING Business Administration Limited and Fujian Dongbai Group Co., Ltd.	2018/08/02~2028/08/02	Fuzhou JIARUIXING Business Administration Limited leases the location for department store business from Fujian Dongbai Group Co., Ltd.	NONE
	Shanghai Grand Ocean 1,000 Trees Commercial Management Co., Ltd and Shanghai Arc de Triomphe Enterprise Development Co., Ltd.	2022/01/01~2041/12/31	Shanghai Grand Ocean 1,000 Trees Commercial Management Co., Ltd leased a shopping center base from Shanghai Arc de Triomphe Enterprise Development Co., Ltd.	NONE

Contract nature	Party	Contract start and end date	Main content	Restrictions
Contract on Commodity Housing Transaction	Quanzhou Grand Ocean Commerical Limited and Quanzhou Fuhua Commercial Building Co., Ltd.	2012/02/21	Quanzhou Grand Ocean Commerical Limited purchased the department store location from Quanzhou Fuhua Commercial Building Co., Ltd. (property certificate of B1F garage, B2F garage, B1F mall, 1F mall, 2F mall, 3F mall and 5F mall had been acquired; property certificate of 4F mall is still under processing)	NONE
Lease Contract	Nan Guo Real Estate Co., Ltd. and Wuhan Grand Ocean Classic Commercial Development Co., Ltd.	2023/09/01~2035/08/31	Wuhan Grand Ocean Classic Commercial Development Co., Ltd. rented an area of approximately 40,000 square meters from B2F to the 6F of the commercial podium of "Nan Guo Center Phase I" from Nan Guo Real Estate Co., Ltd. as a department store business base.	Wuhan Grand Ocean Classic Commercial Development Co., Ltd. merged the first and second phases of Nanguo Center into one whole and operated it under the name of " Grand Ocean Center".
	Hubei Nanguo Innovation Real Estate Co., Ltd. and Wuhan Grand Ocean Classic Commercial Development Co., Ltd.	2023/09/01~2035/08/31	Wuhan Grand Ocean Classic Commercial Development Co., Ltd. rented approximately 30,000 square meters of 1F to 3F of the commercial podium of "Nan Guo Center Phase II" from Hubei Nan Guo Innovation Real Estate Co., Ltd. as a department store business base.	

Five. Review and analysis of financial position and financial performance, and risks

I. Comparative Analysis of Financial Status

(I) Assets, liabilities and equity for the last two years

Financial Statements of First Steamship and Subsidiaries

Unit: NT$ Thousand

Year / Item	2024	2023	Increase or decrease	
			Amount	%
Property, plant and equipment	4,564,141	5,287,323	(723,182)	(13.68)
Right-of-use assets	12,207,724	12,305,871	(98,147)	(0.80)
Intangible assets	11,751,521	11,501,840	249,681	2.17
Other assets	1,752,654	1,691,118	61,536	3.64
Total assets	4,617,393	4,582,801	34,592	0.75
Current liabilities	34,893,433	35,368,953	(475,520)	(1.34)
Non-current liabilities	9,618,295	8,142,441	1,475,854	18.13
Total liabilities	14,173,999	16,279,866	(2,105,867)	(12.94)
Capital stock	23,792,294	24,422,307	(630,013)	(2.58)
Capital surplus	8,247,761	8,247,761	0	0
Retained earnings	836,382	1,932,221	(1,095,839)	(56.71)
Other equity	(288,220)	(1,095,839)	807,619	73.70
Treasury shares	224,418	(354,024)	578,442	163.39
Non-controlling interests	0	0	0	-
Total equity	2,080,798	2,216,527	(135,729)	(6.12)
Property, plant and equipment	11,101,139	10,946,646	154,493	1.41

Explanation for items with an increase or decrease by more than 20%:

1. Capital surplus：The company made up for the loss in 2023.
2. Retained earnings：The operating department's losses in 2023 were lower than in 2022.
3. Other equity：Due to exchange rate fluctuations, the foreign operating institutions' financial statements have increased in exchange rate differences.

(II) Effect of changes in financial status: No significant effect on financial status.

(III) Future corresponding measures: Not applicable.

II. Comparative Analysis of Financial Performance

(I) Operating revenues, operating net profits and net profits before tax for the last two years

Financial Statements of First Steamship and Subsidiaries

Unit: NT$ Thousand

Item \ Year	2024	2023	Increase or decrease	
			Amount	%
Operating revenue	4,849,992	5,501,923	(651,931)	(11.85)
Operating costs	1,758,916	1,893,928	(135,012)	(7.13)
Operating gross profit	3,091,076	3,607,995	(516,919)	(14.33)
Operating expenses	3,098,604	3,858,804	(760,200)	(19.70)
Operating net profits	(7,528)	(250,809)	243,281	97.00
Non-operating incomes and expenses	(445,880)	(2,054,067)	1,608,187	78.29
Net profits (losses) before tax	(453,408)	(2,304,876)	1,851,468	80.33
Income tax expense (benefit)	64,363	227,531	(163,168)	(71.71)
Net profits (losses) for the period	(517,771)	(2,532,407)	2,014,636	79.55
Other comprehensive income for the period (net after-tax)	673,228	(90,953)	764,181	840.19
Total comprehensive income for the period	155,457	(2,623,360)	2,778,817	105.93
Net profits (losses) for the period attributable to shareholders of the parent company	(288,774)	(1,669,494)	1,380,720	82.70
Comprehensive income attributable to shareholders of the parent	291,186	(1,719,708)	2,010,894	116.93

Explanation for items with an increase or decrease by more than 20%:

1. Operating net profit：Gross profit of the department store business decreased and operating expenses increased, resulting in a decrease in operating net profit.
2. Non-operating income and expenses：
   (1) Changes in Other Gains and Losses: According to International Accounting Standards, assets that may be impaired must be identified and assessed for potential impairment. In 2023, after evaluation, impairment indicators were identified for property, plant and equipment, intangible assets, right-of-use assets, and long-term equity investments accounted for using the equity method, resulting in recognition of impairment losses. Additionally, in 2023, gains were recognized due to lease modifications.
   (2) Changes in Finance Costs: The interest expense decreased during this period due to lower total borrowings compared to the same period last year.
   (3) Changes in Expected Credit Impairment Losses: According to International

Accounting Standards, financial assets must be assessed for expected credit losses. This period showed a reversal compared to the same period last year.

(4) Changes in Expected Credit Impairment Losses: In accordance with International Accounting Standards, expected credit losses are recognized based on the assessment of the recoverability of financial assets. After evaluation, the losses that needed to be recognized this period decreased significantly compared to the same period last year.

3. Net loss before tax and net loss for the period: Please refer to explanations 1 and 2.
4. Net loss attributable to owners of the parent company: Please refer to explanations 1 and 2.
5. Other comprehensive income for the period (net of tax), total comprehensive income for the period, and total comprehensive income attributable to owners of the parent company: The increase from 2023 to 2024 was mainly due to the exchange differences on translation of foreign operations' financial statements and the share of other comprehensive income of associates accounted for using the equity method.

(II) Expected sales volume and forecast basis, possible impact on the Company's future financial and business matters and corresponding measures:

The businesses of the Group are mainly marine transportation and department store. Due to the characteristics of the industries, the expected sales volume is not applicable. For details of the possible impact on the Company's future financial and business matters and corresponding measures, please refer to the Market and production and sales overview of the Five.Operation Overview - Market Analysis in this annual report.

III. Review and Analysis of Cash Flow

(I) Analysis of 2024 cash flow

Unit: NT$ Thousand

Cash balance, beginning of period	Net cash inflow from operating activities during the year	Net cash inflow from investing activities during the year	Net cash inflow from financing activities during the year	Exchange rate impact amount	Cash Balance (shortfall)	Remedies for cash shortfall	
						Investment plan	Financing plan
1,834,232	1,103,803	34,136	-1,962,582	114,210	1,123,799	Not applicable	Not applicable

1. Analysis of change in cash flow in the current year:
   (1) Operating activities: Net cash inflow was approximately NT$1,103,803 thousand, mainly due to cash inflow as well as interest and income tax payments.
   (2) Investing activities: Net cash inflow was approximately NT$34,186 thousand, mainly due to other receivables and financial assets decreased, and long-term equity investments, property, plant and equipment were acquired.
   (3) Financing activities: Net cash outflow of NT$1,962,582 thousand was mainly due to repayment of borrowings from banks, principal repayment of leases.
2. Remedies for cash shortfall and liquidity analysis: Not applicable.

(II) Cash flow analysis for the coming year

Unit: NT$ Thousand

Cash balance, beginning of period	Net cash inflow from operating activities during the year	Net cash inflow from investing activities during the year	Net cash inflow from financing activities during the year	Cash Balance (shortfall)	Remedies for cash shortfall	
					Investment plan	Financing plan
1,123,799	600,000	50,000	1,500,000	273,799	Not applicable	Not applicable

1. Analysis of change in cash flow for the coming year:

   Operating activities: This represents revenues, costs and expenses of operating activities, interest paid and income taxes.

   Investing activities: Docking maintenance of bulk carriers, the refurbishment of various stores, and long-term and short-term investments.

   Financing activity: Mainly composed of payment of lease principal, and repayment and obtainment of bank loans for real estate development or operational use.

2. Remedies for cash shortfall and liquidity analysis: Not applicable.

IV. Effect of major capital expenditures on finance and business matters in the last year.

(I) Major capital expenditures and source of funds: None.

(II) Expected potential benefits: None.

V. Reinvestment policy for the last year, the main reasons for profits or losses, improvement plan and investment plan for the coming year.

(I) The Company’s reinvestment policy

The Company's investment policy is designed for long-term strategic purposes, and the investment targets are related to the industries in which the Company currently operates. The Company follows the internal control systems and the "Procedures for the Acquisition or Disposal of Assets.” It actively seeks other suitable strategic investment opportunities to expand the scope of the Group's operations in order to increase the Company's profitability.

(II) The main reasons for profits or losses for the last year and improvement plan.

December 31, 2024 Unit: NT$ Thousand

Item \ Explanation	Share-holding %	Book value	Profits or losses for the period	The main reasons for profits or losses	Improvement plan	Investment plan for the coming year
Royal Sunway Development Co., Limited	55	122,496	(38,171)	The new project has not yet started	-	None
First Steamship S.A.	100	3,656,734	(186,301)	Due to the loss of the transfer investment subsidiary "5907 GORG-KY" in the current period	-	None
First Mariner Holding Ltd.	100	(285,215)	(81,294)	Due to the loss of the transfer investment subsidiary「Mariner Finance Ltd.」 in the current period	-	None
Grand Ocean Retail Group Ltd.	58.62	2,805,733	(511,891)	Please refer to the "5907 GORG-KY" annual report description	-	None
Alliance Steamship S.A.	100	441,651	3,777	Good operating condition	-	None
Best Steamship S.A.	100	557,290	11,401	Good operating condition	-	None
Black Sea Steamship S.A.	100	334,460	(22,180)	The vessel was older and the rental income is poor	-	None
Excellent Steamship International S.A.	100	355,052	28,678	Good operating condition	-	None
Grand Steamship S.A.	100	609,535	19,692	Good operating condition	-	None
Longevity Navigation S.A.	100	480,994	26,396	Good operating condition	-	None
Praise Maritime S.A.	100	688,127	44,628	Good operating condition	-	None
Reliance Steamship S.A.	100	437,274	4,945	Good operating condition	-	None
Ship Bulker Steamship S.A.	100	404,938	(4,920)	The vessel was older and the rental income is poo	-	None
Shining Steamship International S.A.	100	351,293	33,598	Good operating condition		None
Sure Success Steamship S.A.	100	599,892	20,348	Good operating condition	-	None
First Mariner Capital Ltd.	100	(291,755)	(81,048)	Due to the loss of the transfer investment subsidiary「Mariner Finance Ltd.」 in the current period	-	None
Mariner Capital Ltd.	100	(292,839)	(82,082)	Due to the loss of the transfer investment subsidiary「Mariner Finance Ltd.」 in the	-	None

Item \ Explanation	Share-holding %	Book value	Profits or losses for the period	The main reasons for profits or losses	Improvement plan	Investment plan for the coming year
				current period		
Da Yu Financial Holdings Limited	29.11	738,250	87,308	Good operating condition	-	None
Sandmartin International Holdings Limited	42.11	0	-	The company announced on the HKEX on March 19, 2025 that it was unable to issue an announcement of its 2024 annual results (financial report), and its shares will be suspended from trading on the HKEX from April 1, 2025.	-	None
Mariner Finance Ltd.	100	(291,483)	(81,955)	Mainland China has not been able to effectively recover since the outbreak. It is facing problems such as weak domestic consumption and investment, real estate market bubbles, increasing financial risk pressures and local government debt. Externally, it is facing the Sino-US trade war, which has greatly reduced domestic tourism and business trips, resulting in operating losses.	-	None

(III) Investment plan for the coming year: None

VI. Analysis and evaluation of risks for the last year and the current year up to the date of publication of the annual report

(I) The impact of the changes in the interest rate and exchange rate, and inflation on the Company's profitability and corresponding future measures:

1. Interest rate risk

(1) Apart from the Department Store Business

The Group's interest rate risk comes mainly from long-term and short-term borrowings. Currently, interest rates remain at a certain level and the interest rate risk is not high. The majority of the borrowings were repaid on principal as scheduled, so even if interest rates increase, the magnitude is estimated to be small. Therefore, the risk of interest rate changes has no significant impact on the Group.

(2) Department Store Business

The Company borrows funds at variable interest rates, resulting in interest rate risk, which is partially offset by cash and cash equivalents held at floating interest rates and financial instruments with higher yields. The Company is in the retail industry and has sufficient cash flow from operating activities and is not exposed to cash flow risk. In addition, since 2018, we have effectively reduced foreign currency liabilities and appropriately increased RMB liabilities. Although the interest rate of RMB borrowing is higher than that of USD and EUR, the main operation is in China, which constitutes a natural hedge, and RMB liabilities can be deducted from corporate income tax, which has a tax shield effect.

2. Exchange rate risk

(1) Marine Transportation Business

The main operating incomes and expenses and capital expenditures of the bulk shipping business are mostly denominated in U.S. dollars. Therefore, there is no significant impact because of the risk of exchange rate changes.

(2) Department Store Business

The principal place of operation is in Mainland China, and the sales target of each department store location is the general consumers in Mainland China. The functional currency is the same as the denomination of the sales and purchase transactions, and the functional and denomination currencies of the mainland subsidiaries are RMB, so there is no exchange rate risk. The Company has effectively reduced its foreign currency liabilities and appropriately increased its RMB liabilities since 2018 to achieve the natural currency hedge between the currency of borrowings and the currency of cash flow from operations, and will continue to reduce its foreign currency liabilities to reduce the exchange rate risk.

3. Inflation

(1) Marine Transportation Business

The bulk shipping business is chartered based on time, voyage, bareboat or syndication. Inflation or deflation has no significant impact on the operation and profitability of the Group.

(2) Department Store Business

Despite the impact of inflation on consumers, the economy of China continues to grow and the income level of its residents continues to rise, resulting in higher consumer demand and spending power for the popular department store products offered by the Company. The Company also adjusts its department store product mix in response to changes in consumer spending. Therefore, up to now, there is no immediate significant impact due to the aforementioned inflation crisis, and the Company has effectively responded to the impact of inflation by following global political and economic changes and price fluctuations in the end product market, maintaining good interaction with suppliers and customers, as well as

adjusting its purchasing and marketing strategies in an opportunistic manner, so that the Company will not be greatly impacted.

(II) Policies on high-risk, highly-leveraged investments, lending funds others, endorsement and guarantee, and derivatives transactions, main reasons for gain or loss, and corresponding future measures:

To control the risk of various transactions, the Group has established management procedures, including "Operating Procedures for Lending Funds to Others," "Operating Procedures for Endorsement and Guarantee," "Procedures for Acquisition or Disposal of Assets," and "Procedures for Financial Derivatives Transactions." It follows the relevant procedures to ensure effective management of various risk. The Group's subsidiaries have working capital needs, so there are cases of lending funds and providing endorsements or guarantees to each other. The fund lending, endorsement and guarantee are all handled are in accordance with the "Operating Procedures for Lending Funds to Others" and the "Operating Procedures for Endorsement and Guarantee." Currently, the Group does not engage in high-risk, highly leveraged derivative transactions and follows the "Procedures for Financial Derivatives Transactions" to control risks.

(III) Future R&D plans and the estimated expenses:

1. Marine Transportation Business
   The business is to provide transportation of ships so there are no R&D plans or expenses.

2. Department Store Business
   We are not involved in the research and development and manufacturing of the products, so we have no research and development plans and expenses. However, in view of the characteristics of the industry, the development and training of management personnel and the improvement of the quality of human resources are necessary to enhance the competitiveness of the Company in the future. As the competition in the department store industry intensifies, to rapidly improve the competitiveness of talents becomes a key factor for the success of the department store retail business.The Company will strengthen talent cultivation and manpower development, and provide systematic and professional service quality cultivation courses through the education and training mechanism to enhance the effectiveness of employee learning and talent training.

(IV) The impact of important domestic and foreign policy and legal changes on the Company's finance and business and corresponding measures:

The management of the Group keeps abreast of important domestic and international policies and legal changes. It evaluates their impact on the Company in order to propose corresponding measures in a timely manner.

Some of the Group's reinvested companies are domiciled in the British Cayman Islands and the Virgin Islands. As the British Cayman Islands and the Virgin Islands implemented the Economic Substance Law in 2019, the Group's reinvested companies

are now free from legal issues.

Some of the Group's reinvested companies are domiciled in Mainland China and Hong Kong. Mainland China is one of the major economies in the world, and its economic development and political environment remain stable. Still, Hong Kong is a special administrative region of China, and its political and economic development direction and risks will be affected by the direction of China's policies.

For the last year and the current year up to the date of publication of the annual report, the above circumstances did not have a material impact on the Group's finance and business matters.

(V) The impact of important changes in technology or industry on the Company's finance and business and corresponding measures:

1. Marine Transportation Business

   The global shipbuilding industry is in the doldrums and shipyards, in order to attract shipowners to order new ships, are therefore designing ships with larger weight tonnage and more environmentally friendly and diverse structures to meet the demand with advanced design concepts. The host and auxiliary machines of the ship are oriented toward speed economy and minimum fuel consumption to reduce operating costs and at the same time, also to meet the environmental requirements of energy saving and carbon reduction.

   In recent years, the international dry bulk shipping market has undergone drastic changes. The main market has gradually evolved from scattered shipowners, charterers and cargo owners to a centralized and integrated model with a variety of roles.

   The Group's vessels are chartered based on time, voyage or syndication. Therefore, changes in technology and industry changes have not had a significant impact on the finance and business matters of the Company's marine transportation business in the last year and the current year up to the date of publication of the annual report.

2. Department Store Business

   Today’s physical business is still the same physical business, but the market environment has changed. In the past, we cared about to which area has more traffic and where users have more consumption potential. But now, consumption is boundary-free, how to use better experience and better service to retain consumers and meet consumers’ in-depth needs is the key to obtain the added value. When consumers born in the 80s, 90s and even 2000s are used to the online life, the offline consumption must reflect the uniqueness and cares one level deeper to attract them. This requires higher capability for the story creation and scenario presentation of shopping centers. In recent years, we have actually witnessed the “power of scenarios” in business. The scenario creation has brought topics, traffic, and spontaneous communication to business...so that whoever comes here have an immersive sense of substitution, and all of these are finally

transformed into the value increment of projects that becomes the real purchasing power and consumption power. The scenario power empowered by technologies has the competitive advantage more durable. In the era of experiential and immersive consumption, the attractiveness of traditional mainstream stores declines, and immersive experience is becoming the commercial "guests of honor" due to advantages such as their strong ability to attract customers and drive them. The immersive experience empowered by technologies, relying on its own strong technological effect, is becoming the engine of customer traffic for many offline businesses, attracting customer traffic and gathering popularity. While the online platform is not a core sales scenario of shopping malls and department stores, the sales volume is the ultimate closed-loop data. By expanding the two channels of online business + offline business, the sales data also show the effect of 1+1=2.

The Company has been committed to a full range of system integration, for the corresponding adjustment of the competitive environment faced by each store, towards the mall shopping center, in order to consolidate and expand the local market share, as well as establish product differentiation, and further introduce the business pattern and brands pursuant to the consumer habits. At the beginning of 2017, the company actively cooperated with China e-commerce companies and other industries. At present, all the stores of the Group have realized the support of QQ wallet, WeChat payment, Alipay, ApplePay, Quick Pass, JD Wallet and other mainstream electronic mobile payment fully in China. On the other hand, the Group has successfully cooperated with the companies such as JD, Meituan, Baiwang, Weimeng to expand the business and develop WeChat E-membership Cards and electronic invoices. By expanding the Company's visibility and influence among young people, it advances toward the data department store, and expands the new smart consumer fashion market. In 2020, the "Boundary-Free Retail Sales Department" was established to integrate the Group's online and offline channels. During the process of the Group's digital transformation, the membership system was upgraded, and the data analysis app was launched to further enhance the intellectualization construction for incorporating omnichannel and all platforms to improve the shopping experience of members. Online sales has accounted for more than 30% of the current operating revenue, a satisfactory performance of online business. The Boundary-Free Sales Department has been upgraded to the Company's micro-mall in 2023, for better enabling the consumers to shop conveniently, and the market analysis and evaluation by the Company. The above is the impact of technological changes and industrial changes on the financial business of the group.

(VI) The impact of change in the corporate image on corporate crisis management and corresponding measures:

The Group operates on the principle of stability and integrity, with a good corporate image, and continues to bring in more talented people to serve the Company, to build up the strength of the business team, return the results of the operation to the investing

public, and fulfill the social responsibility of the enterprise. There was no such matter for the last year and the current year up to the date of publication of the annual report for the Group.

(VII) Expected benefits and possible risks of mergers and acquisitions and corresponding measures: Not applicable.

(VIII) Expected benefits and possible risks of plant expansion and corresponding measures:

1. Marine Transportation Business
   Not applicable

2. Department Store Business
   The Company is a department store retailer, not a manufacturer, so there is no need for plan expansion. In addition, the expansion of department store locations is carefully evaluated and planned by the relevant units, and the expected benefits and possible risks are fully evaluated through a careful financial module. After the establishment of the new business locations, the relevant units will closely monitor the changes in the industry and the operating conditions and propose appropriate measures to address the risks that may arise.

(IX) Risks of concentrations of purchases or sales and corresponding measures:

1. Marine Transportation Business
   Most of the consumables, spare parts, supplies, lubricating oil, fuel oil, etc., for ships are procured and replenished locally at any port convenient, and there is no risk of concentration. The choice of business customers is based on the level of freight rates, and there is no risk of concentration.

2. Department Store Business
   The Company is a department store retailer with a diversified product lineup and does not concentrate its purchases or sales to a single vendor or customer, so there is no risk of concentration of purchases or sales.

(X) The impact on the Company and risks of the massive transfer or change of shares by directors or major shareholders with a 10% stake or more and corresponding measures:

If it is a legal and normal financial management activities of the shareholders, the transfer or change of equity will not have any impact or risk to the Company. For the last year and the current year up to the date of publication of the annual report, there has been no significant transfer or change of equity by the Company's directors or major shareholders with a 10% stake or more.

(XI) The impact on the Company and risks of change in management rights and corresponding measures: Not applicable.

(XII) Litigation or Non-litigation Events:

1. Final judgments or pending litigation, non-litigation, or administrative disputes within the past two years and up to the printing date of this annual report that might significantly impact shareholders' equity or securities prices shall disclose the

disputed facts, monetary amount, litigation commencement date, main parties involved, and current status:

(1) Grand Ocean Classic Commercial Group Co., Ltd., Chongqing Guanggu Grand Ocean Commercial Development Co., Ltd., and Chongqing Zhengsheng Real Estate Co., Ltd. real estate lease contract dispute case:

Because Grand Ocean unilaterally closed the store and withdrew from the Chongqing market, the owner of the Chongqing store, Chongqing Zhengsheng Real Estate Co., Ltd., filed a lease contract dispute lawsuit with the Fifth Intermediate People's Court of Chongqing, listing the Chongqing store and Grand Ocean Group as co-defendants. The lawsuit requested: 1. Require Grand Ocean to pay a penalty of RMB 28,285,000 for early termination of the contract in accordance with the lease. On September 19, 2024, according to the first-instance judgment of the court, the overestimated early termination penalty was reversed; 2. Grand Ocean was required to pay the rent and penalty owed in previous years until the clearance date, totaling RMB 25,548,000. On September 19, 2024, in accordance with the first-instance judgment of the court, the overestimated rent and liquidated damages were reversed; 3. Grand Ocean was required to pay the rent, liquidated damages and occupancy fees of the venue occupied by Dadi Cinema from the date of the clearing point to the date of litigation, totaling RMB 4,618,000. However, Grand Ocean had already transferred the venue by notarized mail on the date of the clearing point, and it was no longer possible to use the leased object. Therefore, it was believed that Chongqing Zhengsheng's request was unfounded and it should have no obligation to compensate. According to the first-instance judgment of the court on September 19, 2024, the merged company should pay RMB 2,668,000 for the demolition and occupation fees of the Dadi Cinema, and compensation has been provided; 4. It requires Grand Ocean to return the rent concessions, liquidated damages and related litigation costs totaling RMB 8,204,000 in previous years. However, the rent concessions in previous years have been compensated in accordance with the agreement. Therefore, Grand Ocean believes that Chongqing Zhengsheng's request is unfounded and should have no obligation to compensate. According to the first-instance judgment of the court on September 19, 2024, the merged company should pay site restoration fees and related litigation costs totaling RMB 731,000, and compensation has been provided for.

After evaluation by Grand Ocean, the above-mentioned amounts have all been included in the accounts in accordance with the court's first-instance judgment. However, Chongqing Zhengsheng was dissatisfied with the court's decision and appointed a lawyer to appeal. Later, on November 21, 2024, the court's second-instance judgment upheld the result of the first-instance judgment. Grand Ocean reached a settlement with Chongqing Zhengsheng on December 30, 2024. As of December 31, 2024, the remaining amount of RMB23,820,000 has not been paid and has been included in the accounts of Grand Ocean.

（2） Dispute between Grand Ocean Classic Commercial Group Co., Ltd., Wuhan Hanyang Grand Ocean Classic Commercial Co., Ltd. and Wuhan Commerce State-owned Holding Group Co., Ltd. :

Because Grand Ocean unilaterally closed the store and withdrew from the Wangjiawan business district in Wuhan, the owner of the Hanyang store, "Wuhan Commerce State-owned Holding Group Co., Ltd.", filed a lease contract dispute lawsuit with the Hanyang District People's Court of Wuhan City, listing the Hanyang store and Grand Ocean Group as co-defendants. In January 2024, the plaintiff's updated lawsuit request 1. Grand Ocean should pay the arrears of

rent and the early termination penalty of RMB 45,507,000; and the performance guarantee deposit of RMB 5,000,000 will not be returned. On June 14, 2024, in accordance with the first-instance judgment of the court, an additional estimate was made for the rent of RMB 3,413,000 for September 2023, as well as a penalty of RMB 5,000,000 for early termination of the contract to reverse the overestimate; 2. Grand Ocean was required to pay the rental loss of RMB 7,585,000 for the vacancy of the leased property due to the early termination of the lease. According to the first-instance judgment of the court on June 14, 2024, the merged company has no obligation to pay compensation; 3. Require Grand Ocean to return the rent and liquidated damages of previous years totaling RMB 19,170,000. According to the first-instance judgment of the court on June 14, 2024, Grand Ocean has no obligation to pay compensation, so the aforementioned provisions will be reversed; 4. The merged company is required to return the rent of RMB 4,791,000 for the five months of rent-free period in previous years. According to the first-instance judgment of the court on June 14, 2024, the merged company has no obligation to pay compensation; 5. The merged company is required to pay the cost of not demolishing the fifth-floor cinema and related litigation costs totaling RMB 2,342,000. According to the first-instance judgment of the court on June 14, 2024, Dayang should pay litigation costs of RMB 291,000, and the compensation funds have been fully provided for.

After evaluation by Grand Ocean, the above-mentioned amounts have all been included in the accounts in accordance with the first-instance judgment of the court. However, Wuhan Commerce was dissatisfied with the court's decision and appointed a lawyer to appeal. Later, on September 29, 2024, the court's second-instance judgment upheld the result of the first-instance judgment. Grand Ocean reached a settlement with Wuhan Commerce on December 2, 2024. The Grand Ocean Group has already provided for sufficient expenses in connection with the subject matter of the litigation

(3) Wuhan Hanyang Grand Ocean Classic Commercial Co., Ltd. and Wuhan Laopai Catering Management Co., Ltd. lease contract dispute (arbitration case):

Wuhan Hanyang Grand Ocean Clssic Commercial Co., Ltd. ceased operations on August 31, 2023 due to continued operating losses, and terminated the lease with the brand owner Wuhan Laopai Catering Management Co., Ltd. (hereinafter referred to as Laopai Company) in advance. Therefore, Laopai Company filed an arbitration request on December 20, 2023, requiring Grand Ocean to return the performance guarantee and pay the early termination penalty, decoration losses and related litigation costs totaling RMB 6,101,000. On October 12, 2024, according to the arbitration ruling, Grand Ocean should compensate Laopai Company for the above-mentioned expenses totaling RMB 5,485,000, which Grand Ocean has already estimated and included in the accounts.

(XIII) Other important risks and corresponding measures: None.

VII. Other important matters: None.

Six.Special Matters

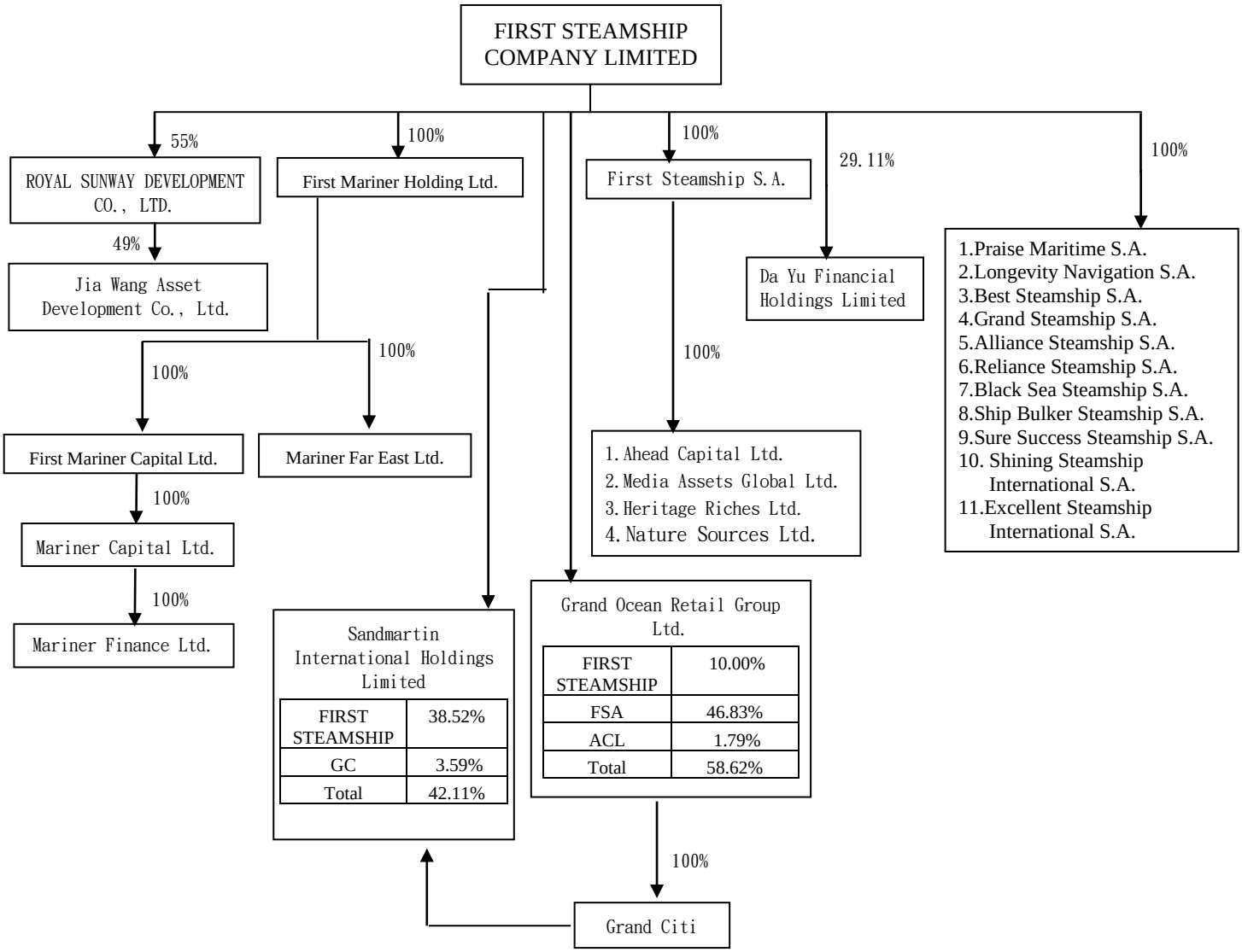
I. Information on affiliated companies

(I) Consolidated financial statements of affiliated companies: The consolidated financial statements of related enterprises are prepared in the same manner as the annual financial reports, and a statement has been issued in the annual financial reports (see page 3 of the financial reports for details).

Please see the internet index path: EMOPS >> Electronic Books >> Shareholders' Meetings

https://emops.twse.com.tw/server-java/t58query

(II) Consolidated business report of affiliated companies: Organizational chart of affiliated companies



1. Basic information on each affiliated company

Company name	Date of incorporation	Address	Paid-in capital	Main business or production items
ROYAL SUNWAY DEVELOPMENT CO., LTD.	September 21, 2015	Address: 14F., No. 237, Sec. 2, Fuxing S. Rd., Da'an District, Taipei City	NT$300,000 thousand	1. Investment. 2. Housing and Building Development and Rental. 3. New County and Community Construction and Investment. 4. Investment, Development and Construction in Public Construction. 5. Zone expropriation and urban land readjustment agency business. 6. Urban renewal, reconstruction and maintenance. 7. Construction management. 8. Real estate trading and leasing business. 9. Housing for the elderly. 10. Building materials development and retail.
First Mariner Holding Ltd.	April 5, 2013	Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town , Tortola, British Virgin Islands	US$49,300,000	Investment holding
Grand Ocean Retail Group Ltd	August 23, 2006	Scotia Center,4th Floor, P.O. Box 2804, George Town, Grand Cayman, Gayman Islands	NT$1,955,310 thousand	Investment holding
Da Yu Financial Holdings Limited	July 12, 2019	Room 1801, 18th Floor, Union Kashima Building, 138 Gloucester Road, Wanchai, Hong Kong	HK$227,866,038	Corporate finance advisory services including financial advisory services, compliance advisory services, placement agency, underwriting services and investment business Asset management services such as investment advisory services, etc.
First Steamship S.A.	January 18, 1994	23rd Floor, MMG Tower, Ave. Paseo del Mar And Pacific Avenue, Costa del	US$59,400,000	1. Domestic and overseas shipping and related supplementary businesses 2. Domestic and overseas shipping agency business.

Company name	Date of incorporation	Address	Paid-in capital	Main business or production items
		Este, Panama City, Rep. of Panama		3. Agency for the sale, purchase, charter and construction of ships and their accessories.
Praise Maritime S.A.	August 1, 1994	〃	US$18,500,000	〃
Longevity Navigation S.A.	May 12, 1994	〃	US$13,500,000	〃
Best Steamship S.A.	August 5, 2010	Bloc Office Hub, Fifth Floor, Santa Maria Business District, Panama, Republic of Panama	US$17,000,000	1. Domestic and overseas shipping and related supplementary businesses 2. Domestic and overseas shipping agency business. 3. Agency for the sale, purchase, charter and construction of ships and their accessories.
Grand Steamship S.A.	December 2, 2010	〃	US$16,000,000	〃
Alliance Steamship S.A.	April 1, 2014	〃	US$12,000,000	〃
Reliance Steamship S.A.	April 1, 2014	〃	US$12,000,000	〃
Black Sea Steamship S.A.	March 5, 2012	〃	US$11,000,000	〃
Ship Bulker Steamship S.A.	March 5, 2012	〃	US$12,000,000	〃
Sure Success Steamship S.A.	November 11, 2014	23rd Floor, MMG Tower, Ave. Paseo del Mar And Pacific Avenue, Costa del Este, Panama City, Rep. of Panama	US$14,300,000	〃
Shining Steamship	March 7, 2019	PANAMA City,SAN FRANCISCO,Calle AVE 5 Y CALLE 78 ESTE, edificio, EVERGREEN,	US$9,600,000	〃

Company name	Date of incorporation	Address	Paid-in capital	Main business or production items
		departamento C5		
Excellent Steamship International S.A.	March 7, 2019	23rd Floor, MMG Tower, Ave. Paseo del Mar And Pacific Avenue, Costa del Este, Panama City, Rep. of Panama	US$9,000,000	〃
Nature Source Ltd.	May 10, 2002	Room 2102, 21/F, Tower Two, Lippo Centre, 89 Queensway, Hong Kong	US$8,430,000	Investment holding
Ahead Capital Ltd.	November 8, 2011	Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town , Tortola, British Virgin Islands	US$15,500,000	Investment holding
Media Assets Global Ltd.	January 18, 2012	〃	US$5,000,000	Investment holding
Heritage Riches Ltd.	May 22, 2012	Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town , Tortola, British Virgin Islands	US$10,000	Investment holding
Mariner Far East Ltd.	November 11, 2016	13/F, 136 Des Voeux Road Central, Central, Hong Kong	US$3,800,000	Investment holding
First Mariner Capital Ltd.	April 8, 2013	Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town , Tortola, British Virgin Islands	US$32,920,000	Investment holding

Company name	Date of incorporation	Address	Paid-in capital	Main business or production items
Mariner Capital Ltd.	May 20, 2013	3806 Central Plaza, 18 Harbour Road, Wanchai, Hng Kong	US$28,010,000	Investment holding
Mariner Finance Ltd.	October 17, 2013	Block B, 4th Floor, No. 1189, Wuzhong Road, Shanghai	RMB$170,000,000	Financial leasing, rental, purchase of leased property from abroad, leasing transaction consultation and guarantee
Sandmartin International Holdings Limited	April 27, 1989	Room 516, 5/F, Peninsula Centre, 67 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong	HK 123,040 Thousand	Communication-related precision products and accessories, including digital TV receivers, front-end components, RF products, fiber optic cables, network communication products and digital measurement equipment, etc.
Jia Wang Asset Development Co., Ltd.	July 15, 2019	2F., No. 294, Sec. 1, Dunhua S. Rd., Da'an Dist., Taipei City	NT$20,000,000	Real estate trading, real estate leasing, rental, brokerage service business.

2. Information on directors, supervisors and general managers of affiliated companies

Company name	Title	Name or representative	Shareholding	
			Number of shares	Shareholding
ROYAL SUNWAY DEVELOPMENT CO., LTD	Chairperson Director Supervisor General Manager	Juristic-person representative of Langley Co., Ltd. of British Virgin Islands: Jen-Hao Kuo Juristic-person representative of FIRST STEAMSHIP: Chien-Wan Chuang, Yen-Ling Lin Hui-Chi Lin Jen-Hao Kuo	16,500,000	55
First Mariner Holding Ltd.	Director	Jen-Hao Kuo, Jui-Ta Lin, Yen-Ling Lin	49,300,000	100
Grand Ocean Retail Group Ltd.	Chairperson Director Director Director Independent director General Manager	Jen-Hao Kuo Juristic-person representative of FIRST STEAMSHIP: Ching-Hai Huang Juristic-person representative of First Steamship S.A. - Chin-Kuo Chang LEE SENG CHAY Chin-Hui Ting, Ching-Yi She, Yu-Yin Lin Qing-Hai Ng	114,612,000	58.62
Da Yu Financial Holdings Limited	Chairperson and non-executive director Executive director and general manager Executive director Independent non-executive director	Jen-Hao Kuo Hua-Lun Li Chih-Cheng Lin, Ming Li Ssu-Tsung Chen, Chih-Wei Sun, Wei-Chi Tsen	663,320,000	29.11
First Steamship S.A.	Chairperson Director	Jen-Hao Kuo Jui-Ta Lin, Chien-Wan Chuang	594	100
Praise Maritime S.A.	Chairperson Director	Jen-Hao Kuo Chien-Wan Chuang, Tzu-Yuan Pei	185,000	100
Longevity Navigation S.A.	〃	〃	135,000	100
Best Steamship S.A.	〃	〃	170,000	100
Grand Steamship S.A.	〃	〃	160,000	100

Company name	Title	Name or representative	Shareholding	
			Number of shares	Shareholding
Alliance Steamship S.A.	〃	〃	120,000	100
Reliance Steamship S.A.	〃	〃	120,000	100
Black Sea Steamship S.A.	〃	〃	110,000	100
Ship Bulker Steamship S.A.	〃	〃	120,000	100
Sure Success Steamship S.A.	〃	〃	143,000	100
Shining Steamship International S.A.	Chairperson Director	Jen-Hao Kuo Dennis Wai-Tak Yau, Chien-Wan Chuang	96,000	100
Excellent Steamship International S.A.	Chairperson Director	Jen-Hao Kuo Dennis Wai-Tak Yau, Ruei-Da Lin	90,000	100
Nature Sources Ltd.	Director	Chien-Wan Chuang, Tz-Yuan Pei	8,430,000	100
Ahead Capital Ltd.	〃	Jen-Hao Kuo, Jui-Ta Lin, Yen-Ling Lin	1,550	100
Media Assets Golbal Ltd.	〃	〃	50,000	100
Heritage Riches Ltd.	〃	〃	5	100
First Mariner Capital Ltd.	〃	〃	32,920,000	100
Mariner Far East Ltd.	Director	Jen-Hao Kuo, Jui-Ta Lin	3,800,000	100
Mariner Capital Ltd.	Director	Jen-Hao Kuo, Jui-Ta Lin, Yen-Ling Lin	28,010,000	100
Mariner Finance Ltd.	Chairperson Director Supervisor General Manager	Jen-Hao Kuo Dennis Wai-Tak Yau, Ko-Hua Chu Hui-Chi Lin, Ko-Hua Chu	Not applicable	100
Sandmartin International Holdings Limited	Chairperson and non-executive director Executive director Independent non-executive director	Jen-Hao Kuo Tsung-Chin Hung, Wei-Chun Chen Ming-Hsuan Lu, Chia-Ming Wu, Wei-Huei Chen	518,066,538	42.11

Company name	Title	Name or representative	Shareholding	
			Number of shares	Shareholding
Jia Wang Asset Development Co., Ltd.	Chairperson Director Supervisor	Chia-Fu Hsiao Chia-Ling Ho, ROYAL SUNWAY DEVELOPMENT CO., LTD. Ruei-Da Lin	980,000	49

3. Information on the shareholders in common of the Company and affiliates presumed to be in a controlling and subordinate relation: None.

4. Business overview of affiliated companies

December 31, 2024 Unit: NT$ Thousand (Except for earnings per share)

Company name	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating profits	Profits or losses for the period	Earnings per share (NT$)
Royal Sunway Development Co., Limited	300,000	1,359,114	1,136,395	222,720	0	-10,417	-38,171	-1.27
First Steamship S.A.	1,947,429	3,952,924	296,191	3,656,734	0	-1,366	-186,301	-313,638.18
First Mariner Holding Ltd.	1,616,301	-284,711	504	-285,215	0	-267	-81,294	-1.65
Grand Ocean Retail Group Ltd.	1,955,310	24,215,428	19,429,121	4,786,307	3,234,915	-121,278	-511,891	-2.62
Jia Wang Asset Development Co., Ltd.	20,000	131,287	113,512	17,775	0	-1,885	-3,517	-1.76
Alliance Steamship S.A.	393,420	582,924	141,274	441,651	133,286	11,088	3,777	31.47
Advantage Steamship Co., Ltd.	0	0	20	-20	0	0	-20	-
Best Steamship S.A.	557,345	646,333	89,043	557,290	144,744	18,969	11,401	67.06
Black Sea Steamship S.A.	360,635	358,802	24,342	334,460	91,459	-22,225	-22,180	-201.64
Excellent Steamship International S.A.	295,065	934,288	579,235	355,052	173,036	67,144	28,678	318.65
Grand Steamship S.A.	524,560	675,873	66,338	609,535	157,270	23,567	19,693	123.08
Longevity Navigation S.A.	442,598	634,134	153,139	480,994	146,941	36,794	26,396	195.52
Mighty Steamship Co., Ltd.	0	0	20	-20	0	-20	-20	-
Praise Maritime S.A.	606,523	842,536	154,409	688,127	167,795	55,339	44,628	241.23
Reliance Steamship S.A.	393,420	581,582	144,308	437,274	131,292	12,676	4,945	41.21
Ship Bulker Steamship S.A.	393,420	425,879	20,941	404,938	110,326	-4,956	-4,920	-41.00
Shining Steamship International S.A.	314,736	931,437	580,144	351,293	165,920	57,971	33,598	349.98
Sure Success Steamship S.A.	468,826	636,669	36,777	599,892	161,918	36,521	20,348	142.29

Nature Sources Ltd.	276,378	295,089	130	294,960	0	-127	-122	-0.01
Ahead Capital Ltd.	508,168	101,245	694,687	-593,443	0	-68	-7,907	-5,101.46
Media Assets Global Ltd.	163,925	156	367,285	-367,129	0	-110	983	19.66
Heritage Riches Ltd.	328	28,336	60	28,276	0	-144	1,861	372,197.16
First Mariner Capital Ltd.	1,079,282	-291,668	87	-291,755	0	-85	-81,048	-2.46
Mariner Far East Ltd.	124,583	4,593	118	4,475	0	-116	-56	-0.01
Mariner Capital Ltd.	918,308	-291,471	1,368	-292,839	0	-136	-82,082	-2.93
Mariner Finance Ltd.	775,339	209,596	501,079	-291,483	24,077	-77,609	-81,955	-
Da Yu Financial Holdings Limited	962,085	2,097,539	1,056,901	1,040,638	226,972	44,268	87,308	0.04
Sandmartin International Holdings Limited	519,495	Note	Note	Note	Note	Note	Note	Note

Note：The company announced on the HKEX on March 19, 2025 that it was unable to issue an announcement of its 2024 annual results (financial report), and its shares will be suspended from trading on the HKEX from April 1, 2025.

(III) Relationship report: Not applicable.

II. Private placement of securities during the last year or the current year up to the date of publication of the annual report: None

III. Holding or disposal of shares in the Company by the Company's subsidiaries during the last year or the current year up to the date of publication of the annual report: None.

IV. Other matters that require additional explanation: None.

V. If any of the situations listed in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholder equity or the price of the Company's securities, has occurred during the last year or the current year up to the date of publication of the annual report: None

FIRST STEAMSHIP COMPANY LIMITED

Chairperson Jen-Hao Kuo