

# FIRST STEAMSHIP COMPANY LIMITED

2025 Annual General Meeting  
Handbook  
June 13, 2025

# Table of Contents

One.	Meeting Procedures	2
Two.	Meeting Agenda	3
	I. Report Items	
	(I) 2024 Business Report	4
	(II) Audit Committee’s Review Report on 2024 Annual Business and Financial Reports	13
	(III) Distribution of Profit Sharing Remuneration for Directors and Employees for 2024	14
	(IV) Endorsements and Guarantees in 2024	15
	(V) Investment Status and Operating Performance of Invested Enterprises in 2024	16
	II. Proposed Resolutions	
	(I) 2024 Business Report and Financial Statements	17
	(II) 2024 Profit Distribution and Loss Appropriation Proposal	38
	III. Discussion Items	
	(I) Proposal on amendment to certain provisions of the Company's "Articles of Incorporation.”	40
	(II) Proposal to remove the non-compete restriction on elected directors	43
	IV. Extraordinary Motions	44
	V. Adjournment	44
Three.	Appendix	
	I. Articles of Incorporation (before amendment)	45
	II. Rules of Procedure for Shareholder Meeting	54
	III. Shareholding of directors	67
	IV. Proposals for the shareholder meeting	68

# Meeting Procedure for the First Steamship Company Limited 2025 Regular Shareholders' Meeting

- I. Call the meeting to order
- II. Chair Address
- III. Report Items
- IV. Proposed Resolutions
- V. Discussion Items
- VI. Extraordinary Motions
- VII. Adjournment

# Meeting Agenda for the First Steamship Company Limited

## 2025 Regular Shareholders' Meeting

Time: 9:00 am, June 13, 2025 (Friday)

Location: International Conference Hall, B1F., No. 231, Sec. 2, Jianguo S. Rd., Taipei City

Type of General Shareholders Meeting: Physical

- I. Call the Meeting to Order
- II. Chair Address
- III. Report Items
  - (I) 2024 Business Report
  - (II) Audit Committee's Review Report on 2024 Annual Business and Financial Reports
  - (III) Distribution of Profit Sharing Remuneration for Directors and Employees for 2024
  - (IV) Endorsements and Guarantees in 2024
  - (V) Investment Status and Operating Performance of Invested Enterprises in 2024
- IV. Proposed Resolutions
  - (I) 2024 Business Report and Financial Statements
  - (II) 2024 Profit Distribution and Loss Appropriation Proposal
- V. Discussion Items
  - (I) Proposal on amendment to certain provisions of the Company's "Articles of Incorporation."
  - (II) Proposal to remove the non-compete restriction on elected directors
- VI. Extraordinary Motions
- VII. Adjournment

# Report Items

Report no. 1

2024 Business Report

## Business Report

The consolidated revenue of First Steamship Co. in 2024 was NT \$4,849,992 thousand, down 11.85% compared with NT\$5,501,923 thousand in 2023. The consolidated net loss after tax was NT \$517,771 thousand, and net loss after tax of the parent company only was NT \$288,774 thousand. The basic earnings per share is NT \$0.35, diluted earnings per share of \$0.35, and book value per share of NT \$10.94.

### I. 2024 Business Overview

#### (I) Marine Transportation Business

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.

## (II) Department Store Business

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, Shiyuan 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, Shiyao 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.



## II. Future Outlook

### (I) 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.

### (II) 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:

#### (1) 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.

(2) 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.

(3) 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.

#### (4) 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.

### III. Conclusion

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.

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!

First Steamship Company Limited

Chairman: Kuo, Jen-Hao

General Manager: Kuo, Jen-Hao

Accounting Officer: Pei, Tz-Yuan

# Report Items

Report no. 2

Audit Committee's Review Report on 2024 Annual Business and Financial Reports

Audit Committee's audit report

The Board of Directors prepared the Company's 2024 business report, consolidated financial statements, etc. The consolidated financial statements were audited by CPAs Chang, Shu-Ying and Pan, Chun-Ming from KPMG, who have issued an audit report. The Audit Committee has audited the above-mentioned business report, consolidated financial statement, and appropriation of profit or loss and other proposals, no discrepancies were found. In accordance with Article 14-4 of the Securities and Exchange Act of the Republic of China and Article 219 of the Company Act, the report is as above.

Please review it.

The 2025 Regular Shareholder Meeting of First Steamship Company Limited

First Steamship Company Limited

Audit Committee convener : Chao, Tseng-Ping

March 28, 2025

## Report Items

Report no. 3

Distribution of Profit Sharing Remuneration for Directors and Employees for 2024

- I. The Company's 2024 financial statements were audited by KPMG CPAs, and the net loss before tax (excluding the accrued amount of profit-sharing remuneration for employees and directors) was NT\$288,773,334.
- II. According to the Company's articles of association, if the Company is profitable, it should allocate no less than 1% for employee remuneration and no more than 3% for director remuneration. Since the fiscal year 2024 resulted in a pre-tax net loss, no allocation will be made.

# Report Items

Report no. 4

Endorsements and Guarantees in 2024

- I. As of December 31, 2024, the Company's endorsement and guarantee to subsidiaries and sub-subsidiaries amounted to NT\$5,902,979 thousand; endorsement and guarantee from subsidiaries and sub-subsidiaries to the Company amounted to \$0 thousand; and endorsement and guarantee among subsidiaries and sub-subsidiaries amounted to NT\$10,534,915 thousand, totaling NT\$16,437,894 thousand, accounting for 182.23% of the Company's shareholder equity.
- II. The endorsement and guarantee are mainly for the Company and its subsidiaries and sub-subsidiaries to obtain financing from financial institutions due to working capital needs, serving as the guarantors for each other for the sustainable development of the businesses. Therefore, the necessity and reasonableness of the endorsement and guarantee made by following the "Operating Procedures for Endorsement and Guarantee" for business needs are indeed normal and reasonable



# Report Items

Report no. 5

Investment Status and Operating Performance of Invested Enterprises in 2024

NT\$ thousand

Reinvested Enterprises	Original Investment Amount	Holding, End of the Period			Profits and Losses for the Period of the Invested Company
		Number of Shares	Shareholding Percentage (%)	Carrying Amount	
Royal Sunway Development Co.,	165,000	16,500,000	55.00	122,496	(38,171)
First Steamship S.A.	1,947,429	594	100.00	3,656,734	(186,301)
First Mariner Holding Ltd.	1,616,301	49,300,000	100.00	(285,215)	(81,294)
Grand Ocean Retail Group Ltd.	3,977,777	114,612,000	58.62	2,805,733	(511,891)
Jiawang Assets Development Co.,	9,800	980,000	49.00	8,710	(3,517)
Alliance Steamship S.A.	393,420	120,000	100.00	441,651	3,777
Advantage Steamship Co., Ltd.	0	0	100.00	(20)	(20)
Best Steamship S.A.	557,345	170,000	100.00	557,290	11,401
Black Sea Steamship S.A.	360,635	110,000	100.00	334,460	(22,180)
Excellent Steamship International S.A.	295,065	90,000	100.00	355,052	28,678
Grand Steamship S.A.	524,560	160,000	100.00	609,535	19,692
Longevity Navigation S.A.	442,598	135,000	100.00	480,994	26,396
Mighty Steamship Co., Ltd.	0	0	100.00	(20)	(20)
Praise Maritime S.A.	606,523	185,000	100.00	688,127	44,628
Reliance Steamship S.A.	393,420	120,000	100.00	437,274	4,945
Ship Bulker Steamship S.A.	393,420	120,000	100.00	404,938	(4,920)
Shining Steamship International S.A.	314,736	96,000	100.00	351,293	33,598
Sure Success Steamship S.A.	468,826	143,000	100.00	599,892	20,348
Nature Sources Ltd.	276,378	8,430,000	100.00	294,960	(122)
Ahead Capital Ltd.	508,168	1,550	100.00	(593,443)	(7,907)
Media Assets Global Ltd.	163,925	50,000	100.00	(367,129)	983
Heritage Riches Ltd.	328	5	100.00	28,276	1,861
First Mariner Capital Ltd.	1,079,282	32,920,000	100.00	(291,755)	(81,048)
Mariner Far East Ltd.	124,583	3,800,000	100.00	4,475	(56)
Mariner Capital Ltd.	918,308	28,010,000	100.00	(292,839)	(82,082)
Da Yu Financial Holdings Ltd.	440,763	663,320,000	29.11	738,250	87,308
Sandmartin International Holdings Ltd.	341,529	518,066,538	42.11	0	0
Mariner Finance Ltd.	876,910	-	100.00	(291,483)	(81,955)

Note: Capital contributions to Advantage Steamship Co., Ltd. and Mighty Steamship Co., Ltd. have not yet been made.

# Proposed Resolutions

Report no. 1

Proposed by the board of directors

Subject: 2024 business report and financial statements. Please ratify the Summary.

Description:

- I. Please refer to pages 4 to 12 of this Handbook for the Company's 2024 business report.
- II. The Company's 2024 consolidated and parent company only financial statements have been audited by CPA Chang, Shu-Ying and Pan, Chun-Ming from KPMG. For details, please refer to pages 18 to 37 of this Handbook.

Resolution:

# Independent Auditors' Report

To the Board of Directors of First Steamship Company Ltd.:

## Opinion

We have audited the consolidated financial statements of First Steamship Company Ltd. and its subsidiaries ( “the Group” ), which comprise the consolidated balance sheet as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the audit reports of other auditors (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ( “IFRSs” ), International Accounting Standards ( “ IASs ” ), Interpretations developed by the International Financial Reporting Interpretations Committee ( “IFRIC” ) or the former Standing Interpretations Committee ( “SIC” ) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

## Basis for Opinion

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024 of the Group. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

### 1. Impairment of goodwill and trademark

Please refer to Note 4(n) “Impairment of non-financial assets” to the consolidated financial statements for the accounting policies on recognition, 5(b) for accounting assumptions and estimation uncertainties, and 6(j) “Intangible assets” for further details, respectively.

#### Description of key audit matter:

As of December 31, 2024, the Group 's intangible assets, whose primary components were

goodwill and trademark obtained upon acquisition of GORG in 2006, constituted approximately 5% of the Group 's total assets. In recent years, the department store industry has been influenced by the COVID 19 pandemic and the impact of slowing economic growth in mainland China, which the declined profits of the industry have not returned to the pre-epidemic level, making it a tough challenge to maintain revenues and profitability. Therefore, the Group concerned if the carrying amounts of the impacted goodwill, trademark and operating assets that obtained upon the acquisition had exceeded the recoverable amounts thereof. In accordance with IAS 36 "Impairment of Assets" , the Group 's management estimated the present value of the Department Store Segment 's discounted future cash flows, in order to determine the recoverable amounts of the aforementioned assets. As the high degree of estimation uncertainty regarding the recoverable amounts involved management 's subjective judgment, there was risk of overestimation with respect to the carrying amounts of the goodwill, trademark, and operating assets. Therefore, we determined the assessment of impairment of the aforementioned assets to be a key audit matter.

How the matter was addressed in our audit:

We obtained the model and related assumptions that the Group 's management adopted to evaluate impairment of assets, in order to ascertain whether management had identified all the cash generating units ( "CGU" ) which might had been impaired and whether all the assets requiring impairment tests had been included in the valuation. In addition, we reviewed each financial assumption adopted by management and the supporting documents related to recoverable amounts, so as to verify both the reasonableness of management 's assumptions and the accuracy of calculation based on available relevant information. Also, we assessed whether historical financial performance was in accordance with management 's previous forecasts, with a view to verifying the accuracy of the forecasts made by management. Apart from that, we examined the appropriateness of the Group 's disclosure of the aforementioned assets.

2. Impairment of assets

Please refer to 4(n) "Impairment of non-financial assets" to the consolidated financial statements for the accounting policies on recognition. Please refer to 5(a) "Impairment assessment for property, plant, equipment, and right-of-use assets" to the consolidated financial statements for accounting assumptions and estimation uncertainties regarding the impairment, and 6(h) "Property, plant, and equipment" and (i) "Right-of-use assets" for further details, respectively.

Description of key audit matter:

As of December 31, 2024, the Group 's property, plant, equipment and right of use assets, whose primary components were operating assets of both the Department Store Segment and the Marine Transportation Segment, constituted approximately 69% of the Group 's total assets. In recent years, the mainland region has been influenced by COVID-19. The decreased profits of the department store industry have not yet returned to the pre-epidemic level. The decline in consumer spending has led to deflation, which has also caused changes in real estate value in the mainland region. This further raised the concern over whether the carrying amounts of the above-mentioned assets used in the operations of Group 's Department Store Segment exceeded their recoverable amounts. In accordance with IAS 36 "Impairment of Assets" , the Group 's management estimated the present values of the Department Store Segment 's discounted future cash flows, in order to determine the recoverable amounts of the aforementioned assets. As the high degree of estimation uncertainty regarding recoverable amounts involved management 's subjective

judgment, there was risk of overestimation with respect to the carrying amounts of operating assets. Therefore, we considered the assessment of impairment of the aforementioned assets to be a key audit matter.

#### How the matter was addressed in our audit

We obtained the model and related assumptions that the Group's management adopted to assess impairment of assets, so as to examine whether management had identified all the cash generating units ( "CGU" ) which might have been impaired and whether all the assets requiring impairment tests had been included in the assessment. In addition, we reviewed each financial assumption adopted by management and the supporting documents related to recoverable amounts, so as to verify both the reasonableness of management's assumptions and the accuracy of calculation based on available relevant information. Also, we assessed whether historical financial performance was in accordance with management's previous forecasts, with a view to verifying the accuracy of the forecasts made by management.. Furthermore, we looked into the Group's disclosure of the impairment of the aforementioned assets to ascertain the appropriateness.

#### **Other Matter**

We did not audit the financial statements of Mariner Finance Ltd., a subsidiary of the Group. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Mariner Finance Ltd., is based solely on the audit report of another auditor. The total assets of Mariner Finance Ltd. constituted 1% and 1% of the total consolidated assets as of December 31, 2024 and 2023, respectively, and both its net operating revenues constituted 1% and 0% of net consolidated operating revenues for both years then ended.

We did not audit the financial statements of certain associates of the Group, which represented the investments in other entities accounted for using the equity method. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those associates, is based solely on the audit reports of other auditors. As of December 31, 2024 and 2023, the Group accounted for certain associates using the equity method, and the investments in those associates constituted 2% and 1% of total consolidated assets, respectively. As of December 31, 2024 and 2023, the share of profits or losses of equity-accounted associates constituted (6)% and 8% of the consolidated net losses before tax, respectively.

First Steamship Co., Ltd has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unqualified opinion with other matter paragraphs.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate

the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee or supervisors) are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chang, Shu-Ying and Pan, Chun-Ming.

KPMG

Taipei, Taiwan (Republic of China)  
March 28, 2025

**(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)**

**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

<b>Assets</b>		<b>December 31, 2024</b>		<b>December 31, 2023</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Current assets:</b>					
1100	Cash and cash equivalents (Note 6(a))	\$ 1,123,799	3	1,834,232	5
1110	Current financial assets at fair value through profit or loss (Notes 6(b) and 7)	141,680	-	167,661	-
1170	Accounts receivable, net (Notes 6(c), 7 and 9)	246,944	1	353,770	2
1200	Other receivables, net (Notes 6(b), (d), (f), (w) and 7)	77,536	-	134,141	-
1300	Inventories, net	251,546	1	203,576	1
1320	Inventories (for construction business), net (Notes 6(e), 8 and 9)	1,773,733	5	1,748,420	5
1476	Other current financial assets (Notes 6(k), (w), 7, 8 and 9)	637,647	2	526,454	1
1479	Other current assets, others (Notes 7 and 9)	297,474	1	319,069	1
1480	Current assets recognised as incremental costs to obtain contract with customers	13,782	-	-	-
		<u>4,564,141</u>	<u>13</u>	<u>5,287,323</u>	<u>15</u>
<b>Non-current assets:</b>					
1535	Non-current financial assets at amortised cost (Note 7)	-	-	59,900	-
1550	Investments accounted for using equity method (Note 6(f) and 7)	746,960	2	481,510	1
1600	Property, plant and equipment (Notes 6(h) and 8)	12,207,724	35	12,305,871	35
1755	Right-of-use assets (Notes 6(i) , 7and 8)	11,751,521	34	11,501,840	33
1760	Investment property, net (Not 8)	139,143	-	140,116	-
1780	Intangible assets (Note 6(j))	1,752,654	5	1,691,118	5
1840	Deferred tax assets (Note 6(q))	2,847,072	8	2,782,429	8
1935	Long-term lease payments receivable(Notes 6(c) and 7)	295	-	6,684	-
1975	Net defined benefit asset, non-current	4,478	-	2,975	-
1980	Other non-current financial assets (Notes 6(k), (w), 7, 8 and 9)	578,129	2	818,884	2
1990	Other non-current assets (Notes 6(f), (r) and 7)	301,316	1	290,303	1
		<u>30,329,292</u>	<u>87</u>	<u>30,081,630</u>	<u>85</u>
	<b>Total assets</b>	<u><u>\$ 34,893,433</u></u>	<u><u>100</u></u>	<u><u>35,368,953</u></u>	<u><u>100</u></u>



(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

		December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
<b>Liabilities and Equity</b>					
<b>Current liabilities:</b>					
2100	Short-term borrowings (Notes 6(l))	\$ 3,682,065	11	3,657,193	10
2110	Short-term notes and bills payable	99,840	-	-	-
2151	Current contract liabilities (Notes 9)	27,262	-	-	-
2170	Accounts payable (Note 6(n))	1,069,446	3	1,272,029	4
2200	Other payables (Notes 6(n), 7 and 9)	1,010,327	3	1,232,947	4
2230	Current tax liabilities	54,223	-	41,489	-
2280	Current lease liabilities (Notes 6(o), 7 and 9)	827,918	2	838,426	3
2322	Long-term borrowings, current portion (Note 6(m))	2,776,284	8	1,018,680	3
2399	Other current liabilities (Notes 6(w), 7 and 9)	70,930	-	81,677	-
		<u>9,618,295</u>	<u>27</u>	<u>8,142,441</u>	<u>24</u>
<b>Non-Current liabilities:</b>					
2500	Non-current financial liabilities at fair value through profit or loss (Note 6(b))	31,389	-	27,813	-
2540	Long-term borrowings (Note 6(m))	1,395,929	4	4,020,116	11
2570	Deferred tax liabilities (Note 6(q))	2,281,354	7	2,227,375	6
2580	Non-current lease liabilities (Notes 6(o), 7 and 9)	9,873,207	28	9,431,523	27
2645	Guarantee deposits	592,120	2	573,039	2
		<u>14,173,999</u>	<u>41</u>	<u>16,279,866</u>	<u>46</u>
		<u>23,792,294</u>	<u>68</u>	<u>24,422,307</u>	<u>70</u>
<b>Equity attributable to owners of parent(Notes 6(f) and (r)):</b>					
3100	Capital stock	8,247,761	24	8,247,761	23
3200	Capital surplus	836,382	2	1,932,221	5
3300	Retained earnings	(288,220)	(1)	(1,095,839)	(3)
3400	Other equity interest	224,418	1	(354,024)	(1)
		<u>9,020,341</u>	<u>26</u>	<u>8,730,119</u>	<u>24</u>
<b>Total equity attributable to owners of parent:</b>					
36XX	Non-controlling interests (Notes 6(g) and (r))	2,080,798	6	2,216,527	6
		<u>11,101,139</u>	<u>32</u>	<u>10,946,646</u>	<u>30</u>
<b>Total equity</b>					
<b>Total liabilities and equity</b>		<u><u>\$ 34,893,433</u></u>	<u><u>100</u></u>	<u><u>35,368,953</u></u>	<u><u>100</u></u>

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)  
**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenues (Notes 6(p), (t) and 7)	\$ 4,849,992	100	5,501,923	100
5000	Operating costs (Notes 6(p) and (v))	1,758,916	36	1,893,928	34
	<b>Gross profit from operations</b>	<b>3,091,076</b>	<b>64</b>	<b>3,607,995</b>	<b>66</b>
	<b>Operating expenses:</b>				
6000	Operating expenses (Notes 6(o), 7 and 9)	3,032,669	63	3,658,570	66
6450	Expected credit impairment loss (Notes 6(c) and 7)	65,935	1	200,234	4
6300		3,098,604	64	3,858,804	70
	<b>Net operating income</b>	<b>(7,528)</b>	<b>-</b>	<b>(250,809)</b>	<b>(4)</b>
	<b>Non-operating income and expenses:</b>				
7100	Interest income (Notes 6(v) and 7)	71,625	1	67,243	1
7010	Other income (Notes 6(v))	17,531	-	15,779	-
7020	Other gains and losses, net (Notes 6(f), (h), (i), (j), (v), 7 and 9)	278,711	6	(823,342)	(15)
7050	Finance costs (Notes 6(o), (v) and 7)	(857,114)	(18)	(922,705)	(17)
7055	Expected credit impairment reversal income (loss) (Notes 6(d), (w) and 7)	17,069	-	(102,298)	(2)
7060	Share of profit (loss) of associates accounted for using equity method, net (Notes 6(f))	26,298	1	(288,744)	(5)
		(445,880)	(10)	(2,054,067)	(38)
7900	<b>Profit (loss) from continuing operations before tax</b>	<b>(453,408)</b>	<b>(10)</b>	<b>(2,304,876)</b>	<b>(42)</b>
7950	Less: Tax expense (Note 6(q))	64,363	1	227,531	4
	<b>Loss</b>	<b>(517,771)</b>	<b>(11)</b>	<b>(2,532,407)</b>	<b>(46)</b>
8300	<b>Other comprehensive income (loss) after tax:</b>				
8310	<b>Items that may not be reclassified subsequently to profit or loss:</b>				
8311	Gains (losses) on remeasurements of defined benefit plans	1,518	-	(75)	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>	<b>1,518</b>	<b>-</b>	<b>(75)</b>	<b>-</b>
8360	<b>Items that may be reclassified subsequently to profit or loss: (Notes 6(f) and (r))</b>				
8361	Exchange differences on translation of foreign financial statements	629,023	13	(96,331)	(2)
8370	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	42,687	1	5,453	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>	<b>671,710</b>	<b>14</b>	<b>(90,878)</b>	<b>(2)</b>
8300	<b>Other comprehensive income (loss), after tax</b>	<b>673,228</b>	<b>14</b>	<b>(90,953)</b>	<b>(2)</b>
	<b>Comprehensive income (loss) after tax</b>	<b>\$ 155,457</b>	<b>3</b>	<b>(2,623,360)</b>	<b>(48)</b>
	<b>Profit (loss), attributable to:</b>				
8610	Owners of parent	\$ (288,774)	(6)	(1,669,494)	(30)
8620	Non-controlling interests	(228,997)	(5)	(862,913)	(16)
		<b>\$ (517,771)</b>	<b>(11)</b>	<b>(2,532,407)</b>	<b>(46)</b>
	<b>Comprehensive income (loss) attributable to:</b>				
8710	Owners of parent	\$ 291,186	6	(1,719,708)	(32)
8720	Non-controlling interests	(135,729)	(3)	(903,652)	(16)
		<b>\$ 155,457</b>	<b>3</b>	<b>(2,623,360)</b>	<b>(48)</b>
	<b>Earnings per share (Note 6(s))</b>				
9750	Basic earnings per share (NT dollars)	<b>\$ (0.35)</b>		<b>(2.02)</b>	
9850	Diluted earnings per share (NT dollars)	<b>\$ (0.35)</b>		<b>(2.02)</b>	

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)  
**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Equity**  
**For years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent										
	Share capital	Retained earnings					Total other equity interest Exchange differences on translation of foreign financial	Treasury stock	Total equity attributable to owners of parent	Non-controlling interests	Total equity
		Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings					
Balance at January 1, 2023	\$ 8,347,761	1,926,712	7,548	633,830	7,411	648,789	(303,885)	(94,491)	10,524,886	3,120,179	13,645,065
Net loss	-	-	-	-	(1,669,494)	(1,669,494)	-	-	(1,669,494)	(862,913)	(2,532,407)
Other comprehensive income	-	-	-	-	(75)	(75)	(50,139)	-	(50,214)	(40,739)	(90,953)
Total comprehensive income	-	-	-	-	(1,669,569)	(1,669,569)	(50,139)	-	(1,719,708)	(903,652)	(2,623,360)
Appropriation and distribution of retained earnings :											
Legal reserve appropriated	-	-	741	-	(741)	-	-	-	-	-	-
Special reserve reversal	-	-	-	(329,945)	329,945	-	-	-	-	-	-
Changes in the associated and the joint venture for using equity method	-	-	-	-	(75,059)	(75,059)	-	-	(75,059)	-	(75,059)
Retirement of treasury share	(100,000)	5,509	-	-	-	-	-	94,491	-	-	-
Balance at December 31, 2023	8,247,761	1,932,221	8,289	303,885	(1,408,013)	(1,095,839)	(354,024)	-	8,730,119	2,216,527	10,946,646
Net loss	-	-	-	-	(288,774)	(288,774)	-	-	(288,774)	(228,997)	(517,771)
Other comprehensive income	-	-	-	-	1,518	1,518	578,442	-	579,960	93,268	673,228
Total comprehensive income	-	-	-	-	(287,256)	(287,256)	578,442	-	291,186	(135,729)	155,457
Appropriation and distribution of retained earnings :											
Legal reserve used to offset accumulated deficits	-	-	(8,289)	-	8,289	-	-	-	-	-	-
Special reserve used to offset accumulated deficits	-	-	-	(303,885)	303,885	-	-	-	-	-	-
Other changes in capital reserves :											
Capital surplus used to offset accumulated deficits	-	(1,095,839)	-	-	1,095,839	1,095,839	-	-	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	(964)	(964)	-	-	(964)	-	(964)
Balance at December 31, 2024	\$ 8,247,761	836,382	-	-	(288,220)	(288,220)	224,418	-	9,020,341	2,080,798	11,101,139

## (English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars )**

	<b>2024</b>	<b>2023</b>
<b>Cash flows from (used in) operating activities:</b>		
<b>Loss before tax</b>	\$ (453,408)	(2,304,876)
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	1,984,519	1,998,259
Amortization expense	66,701	58,719
Expected credit impairment loss	48,866	302,532
Changes in the associated and the joint venture for using equity method	(11,031)	(86,791)
Interest expense	857,114	922,705
Operating costs (Interest expense)	7,903	13,440
Interest income	(71,625)	(67,243)
Dividend income	(347)	(759)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(26,298)	288,744
Loss on disposal of property, plan and equipment	8,845	2,901
Gain (loss) on disposal of intangible assets	982	(3,181)
Gain on disposal of investments	-	(5,113)
Impairment losses on non-financial assets	-	1,168,757
Gain on lease modification	-	(495,197)
Gain on closed and litigation damages	(205,460)	-
Gain on rent concessions	-	173,760
<b>Total adjustments to reconcile profit (loss)</b>	<b>2,660,169</b>	<b>4,271,533</b>
<b>Changes in operating assets and liabilities :</b>		
<b>Changes in operating assets :</b>		
Financial assets at fair value through profit or loss, mandatorily measured at fair value	40,926	83,550
Notes receivable	-	265
Accounts receivable	62,568	102,706
Other receivable	234	9,296
Inventories	(61,352)	22,847
Other current assets	39,571	(48,918)
Net defined benefit assets	15	(111)
Increase in assets recognised as incremental costs to obtain contract with customers	(13,782)	-
<b>Total changes in operating assets</b>	<b>68,180</b>	<b>169,635</b>
<b>Changes in operating liabilities :</b>		
Current financial liabilities at fair value through profit or loss	3,576	1,688
Current contract liabilities	27,262	-
Accounts payable	(261,499)	323,228
Other payable	(82,541)	340,047
Other current liabilities	(9,811)	(25,879)
<b>Total changes in operating liabilities</b>	<b>(323,013)</b>	<b>639,084</b>
<b>Total changes in operating assets and liabilities</b>	<b>(254,833)</b>	<b>808,719</b>
<b>Total adjustments</b>	<b>2,405,336</b>	<b>5,080,252</b>
Cash inflow generated from operations	1,951,928	2,775,376
Interest received	53,087	48,419
Dividend received	5,247	759
Interest paid	(869,265)	(936,074)
Income taxes paid	(37,194)	(96,104)
<b>Net cash flows from (used in) operating activities</b>	<b>1,103,803</b>	<b>1,792,376</b>

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the years ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars )**

	<b>2024</b>	<b>2023</b>
<b>Cash flows from (used in) investing activities:</b>		
Proceeds from disposal of financial assets at amortised cost	59,900	-
Acquisition of investments using the equity method	(202,329)	(178,879)
Proceeds from disposal of investments accounted for using equity method	8,524	30,157
Proceeds from disposal of subsidiaries	-	-
Acquisition of property, plant and equipment	(102,728)	(275,450)
Proceeds from disposal of property, plant and equipment	25,111	17,369
Decrease in other receivables	81,500	52,868
Acquisition of intangible assets	(469)	(1,348)
Proceeds from disposal of intangible assets	23,529	42,248
Decrease ( increase ) in other financial assets	197,067	(1,043,524)
Increase in other non-current assets	(55,969)	(63,426)
<b>Net cash flows used in (from) investing activities</b>	<b>34,136</b>	<b>(1,419,985)</b>
<b>Cash flows from (used in) financing activities:</b>		
Increase (decrease) in short-term loans	(115,057)	859,140
Increase in short-term notes and bills payable	99,840	-
Proceeds from long-term loans	67,481	1,031,963
Repayments of long-term loans	(1,134,090)	(2,518,725)
Decrease in guarantee deposits received	(10,282)	(9,025)
Payments of lease liabilities	(870,474)	(883,157)
<b>Net cash flows from financing activities</b>	<b>(1,962,582)</b>	<b>(1,519,804)</b>
Effect of exchange rate changes on cash and cash equivalents	114,210	(5,552)
Net decrease in cash and cash equivalents	(710,433)	(1,152,965)
Cash and cash equivalents at beginning of period	1,834,232	2,987,197
Cash and cash equivalents at end of period	<b>\$ 1,123,799</b>	<b>1,834,232</b>

# **Independent Auditors' Report**

To the Board of Directors of First Steamship Company Ltd.:

## **Opinion**

We have audited the financial statements of First Steamship Company Ltd. ( “the Company” ), which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

## **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ( “the Code” ), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024 of the Company. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined the matters. we have determined the matters described below to be the key audit matters to be communicated in our report.

### **1. Equity-based subsidiaries**

For the accounting policies of subsidiaries that adopt the equity method, please refer to Notes 4 (h) and (i) of the individual financial statements; for the uncertainty of accounting estimates and assumptions, please refer to Note 5; for investment disclosures using the equity method, please refer to Note 6 (c).

#### Description of key audit matter:

The assessment of the impairment of goodwill and trademark and impairment of assets of some subsidiaries of the company depends on the subjective judgment of management, which is a material uncertain accounting estimate and affects the operating results of subsidiaries. Therefore, we consider the assessment of the impairment of goodwill and trademark and impairment of assets of some subsidiaries of the company as the key audit matters to the financial statements in the audit process.

### How the matter was addressed in our audit

The main audit procedures performed by the accountant on the impairment assessment of goodwill and trademark rights and impairment of assets of subsidiaries that adopt the equity method include: Obtaining the asset impairment assessment module and related assumptions from the subsidiary's management, and assessing whether the management has fully identified individual cash generation that may be impaired. unit, and consider whether all assets subject to impairment testing have been fully included in the assessment process. Review the individual financial assumptions used by the management and relevant supporting documents for the recoverable amount, verify the reasonableness of the management's assumptions and the correctness of the calculations based on the relevant information available, and consider whether the historical financial performance of the subsidiary company is in line with its past forecasts. We verify the reasonability of the assumptions and accuracy of management's calculation based on available data. We also examine the appropriateness of disclosure for the aforesaid assets.

### **Other Matter**

We did not audit the financial statements of certain investees which represented the investment in other entities accounted for using the equity method of the Company. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts is based solely on the report of other auditors. The investments in other entities accounted for using the equity method constituting 5 % and 3% of the total assets and credit balance of investments accounted for using equity method constituting 10 % and 7% of the total liabilities at December 31, 2024 and 2023. The related share of profit or loss of associates accounted for using the equity method constituted 19% and 25% of the total loss before tax for the years ended December 31, 2024 and 2023, respectively.

### **Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements**

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Shu-Ying Chang and Jun-Ming Pan.

KPMG

Taipei, Taiwan (Republic of China)  
March 28, 2025



(English Translation of Financial Statements Originally Issued in Chinese)

FIRST STEAMSHIP COMPANY LIMITED

Parent Company Only Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars )

Assets		December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
<b>Current assets:</b>					
1100	Cash and cash equivalents (Note 6(a))	\$ 48,380	-	158,960	2
1110	Current financial assets at fair value through profit or loss (Notes 6(n), 7 and 13)	112,121	1	95,320	1
1320	Inventories (for construction business), net (Notes 6(b) and 8)	519,760	4	519,010	5
1206	Other receivables -others(Notes 6(n))	160	-	33,457	-
1212	Other receivables -related parties (Notes 7)	696,295	6	551,754	5
1220	Current tax assets	5,720	-	3,493	-
1479	Other current assets	8,393	-	4,362	-
		<u>1,390,829</u>	<u>11</u>	<u>1,366,356</u>	<u>13</u>
<b>Non-current assets:</b>					
1551	Investments accounted for using equity method, net (Note 6(c), 7 and 8)	10,256,577	87	9,712,505	85
1600	Property, plant and equipment (Notes 6(d) and 8)	161,361	1	164,039	1
1760	Investment property, net (Notes 6(e) and 8)	139,143	1	140,116	1
1755	Right-of-use assets	11,426	-	15,245	-
1840	Deferred tax assets (Notes 6(h))	19,294	-	19,294	-
1975	Net defined benefit asset, non-current	4,478	-	2,975	-
1980	Other non-current financial assets	4,175	-	4,175	-
1990	Other non-current assets	2,928	-	5,428	-
		<u>10,599,382</u>	<u>89</u>	<u>10,063,777</u>	<u>87</u>
<b>Total assets</b>		<b>\$ <u>11,990,211</u></b>	<b><u>100</u></b>	<b><u>11,430,133</u></b>	<b><u>100</u></b>

(English Translation of Financial Statements Originally Issued in Chinese)

**FIRST STEAMSHIP COMPANY LIMITED**

**Parent Company Only Balance Sheets (CONT'D)**

**December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars )**

<b>Liabilities and Equity</b>		<b>December 31, 2024</b>		<b>December 31, 2023</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Current liabilities:</b>					
2100	Short-term borrowings (Notes 6(f) )	\$ 774,200	6	771,200	7
2110	Short-term notes and bills payable	99,840	1	-	-
2209	Other payables	23,450.00	-	24,683	-
2220	Other payables-related parties (Notes 7)	276,214	2	-	-
2280	Current lease liabilities	3,813	-	3,735	-
2322	Long-term borrowings, current portion (Note 6(g))	1,387,220	12	175,000	2
2399	Other current liabilities	1,709	-	1,769	-
		<u>2,566,446</u>	<u>21</u>	<u>976,387</u>	<u>9</u>
<b>Non-Current liabilities:</b>					
2540	Long-term borrowings (Note 6(g))	100,000	1	1,537,403	14
2570	Deferred tax liabilities (Note 6(h))	8,883	-	8,883	-
2580	Non-current lease liabilities	7,835	-	11,648	-
2645	Guarantee deposits (Note 7)	1,491	-	2,242	-
2650	Credit balance of investments accounted for using equity method (Note 6(3))	285,215	2	163,451	1
		<u>403,424</u>	<u>3</u>	<u>1,723,627</u>	<u>15</u>
	<b>Total liabilities</b>	<u>2,969,870</u>	<u>24</u>	<u>2,700,014</u>	<u>24</u>
<b>Retained earnings (Notes 6 (c) and (i)):</b>					
3100	Capital stock	8,247,761	69	8,247,761	72
3200	Capital surplus	836,382	7	1,932,221	17
3300	Retained earnings	(288,220)	(2)	(1,095,839)	(10)
3400	Other equity interest	224,418	2	(354,024)	(3)
	<b>Total equity</b>	<u>9,020,341</u>	<u>76</u>	<u>8,730,119</u>	<u>76</u>
	<b>Total liabilities and equity</b>	<u>\$ 11,990,211</u>	<u>100</u>	<u>11,430,133</u>	<u>100</u>

**(English Translation of Financial Statements Originally Issued in Chinese)**  
**FIRST STEAMSHIP COMPANY LIMITED**  
**Parent Company Only Statements of Comprehensive Income**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		<b>For the years ended December 31</b>			
		<b>2024</b>		<b>2023</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	Operating revenues (Notes 6(k) and 7)	\$ 8,586	100	8,489	100
5000	Operating costs	973	11	974	11
	Gross profit from operations	7,613	89	7,515	89
6000	Operating expenses (Notes 7)	116,797	1,360	118,948	1,401
	Net operating loss	(109,184)	(1,271)	(111,433)	(1,312)
	Non-operating income and expenses (Notes 6(m) , (n), 7 and 13):				
7100	Interest income	22,290	260	31,513	371
7020	Other gains and losses, net	16,435	191	(47,922)	(565)
7070	Share of loss of associates accounted for using equity method, net	(145,433)	(1,694)	(1,469,559)	(17,311)
7050	Finance costs	(72,882)	(849)	(67,023)	(790)
		(179,590)	(2,092)	(1,552,991)	(18,295)
	<b>(Loss) Profit from continuing operations before tax</b>	<b>(288,774)</b>	<b>(3,363)</b>	<b>(1,664,424)</b>	<b>(19,607)</b>
7950	Less: Income tax expenses (benefit) (Note 6(h))	-	-	5,070	60
	<b>(Loss) Profit</b>	<b>(288,774)</b>	<b>(3,363)</b>	<b>(1,669,494)</b>	<b>(19,667)</b>
8300	<b>Other comprehensive income:</b>				
8310	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>				
8311	Remeasurement of defined benefit plans	1,518	18	(75)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to	-	-	-	-
		1,518	18	(75)	(1)
8360	<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss(Note 6(i))</b>				
8380	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit	578,442	6,737	(50,139)	(591)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		578,442	6,737	(50,139)	(591)
8300	<b>Other comprehensive income (loss)</b>	<b>579,960</b>	<b>6,755</b>	<b>(50,214)</b>	<b>(592)</b>
	<b>Comprehensive income (loss)</b>	<b>\$ 291,186</b>	<b>3,392</b>	<b>(1,719,708)</b>	<b>(20,259)</b>
<b>Earnings per share (Note 6(j))</b>					
9750	<b>Basic (loss) earnings per share (NT dollars)</b>	<b>\$</b>	<b>(0.35)</b>	<b>(2.02)</b>	
9850	<b>Diluted (loss) earnings per share(NT dollars)</b>	<b>\$</b>	<b>(0.35)</b>	<b>(2.02)</b>	

See accompanying notes to consolidated financial statements

(English Translation of Financial Statements Originally Issued in Chinese)  
**FIRST STEAMSHIP COMPANY LIMITED**  
**Parent Company Only Statements of Changes in Equity**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Share capital		Retained earnings				Total other equity		
	Common Stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Treasury shares	Total equity
<b>Balance at January 1, 2023</b>	\$ 8,347,761	1,926,712	7,548	633,830	7,411	648,789	(303,885)	(94,491)	10,524,886
Net Loss	-	-	-	-	(1,669,494)	(1,669,494)	-	-	(1,669,494)
Other comprehensive income	-	-	-	-	(75)	(75)	(50,139)	-	(50,214)
Total comprehensive income	-	-	-	-	(1,669,569)	(1,669,569)	(50,139)	-	(1,719,708)
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	741	-	(741)	-	-	-	-
Special reserve appropriated	-	-	-	(329,945)	329,945	-	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	(75,059)	(75,059)	-	-	(75,059)
Retirement of treasury share	(100,000)	5,509	-	-	-	-	-	94,491	-
Balance at December 31, 2023	8,247,761	1,932,221	8,289	303,885	(1,408,013)	(1,095,839)	(354,024)	-	8,730,119
Net loss	-	-	-	-	(288,774)	(288,774)	-	-	(288,774)
Other comprehensive income	-	-	-	-	1,518	1,518	578,442	-	579,960
Total comprehensive income	-	-	-	-	(287,256)	(287,256)	578,442	-	291,186
Appropriation and distribution of retained earnings :									
Legal reserve used to offset accumulated deficits	-	-	(8,289)	-	8,289	-	-	-	-
Special reserve used to offset accumulated deficits	-	-	-	(303,885)	303,885	-	-	-	-
Other changes in capital reserves :									
Capital surplus used to offset accumulated deficits	-	(1,095,839)	-	-	1,095,839	1,095,839	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	(964)	(964)	-	-	(964)
<b>Balance at December 31, 2024</b>	<b>\$ 8,247,761</b>	<b>836,382</b>	<b>-</b>	<b>-</b>	<b>(288,220)</b>	<b>(288,220)</b>	<b>224,418</b>	<b>-</b>	<b>9,020,341</b>

(English Translation of Financial Statements Originally Issued in Chinese)

**FIRST STEAMSHIP COMPANY LIMITED**

**Parent Company Only Statements of Cash Flows**

**For the years ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars )**

	<b>For the years ended December 31</b>	
	<b>2024</b>	<b>2023</b>
	<b>Amount</b>	<b>Amount</b>
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit from continuing operations before tax</b>	\$ (288,774)	(1,664,424)
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	8,988	7,553
Amortization expense	778	814
Net gain on financial assets or liabilities at fair value through profit or loss	(7,089)	(38,629)
Interest expense	72,882	67,023
Interest income	(22,290)	(31,513)
Share of loss of associates accounted for using equity method	145,433	1,469,559
Impairment losses on non-financial assets	-	100,258
<b>Total adjustments to reconcile profit</b>	<b>198,702</b>	<b>1,575,065</b>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Financial assets and liabilities at fair value through profit or loss	(9,712)	(15,009)
Notes receivable	-	265
Accounts receivable	-	3,293
Other receivables	(2,748)	9,010
Inventories	(750)	(214)
Other current assets	(4,031)	(2,463)
Net defined benefit assets	15	(111)
<b>Changes in operating liabilities:</b>		
Other payables	(1,475)	(740)
Other current liabilities	(60)	360
<b>Total adjustments</b>	<b>179,941</b>	<b>1,569,456</b>
Cash (outflow) inflow from operations	(108,833)	(94,968)
Interest received	23,110	30,890
Interest paid	(72,640)	(66,693)
Income tax paid	(2,227)	(20,205)
<b>Net cash flows (used in) from operating activities</b>	<b>(160,590)</b>	<b>(150,976)</b>

(English Translation of Financial Statements Originally Issued in Chinese)

FIRST STEAMSHIP COMPANY LIMITED

Parent Company Only Statements of Cash Flows(CONT'D)

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars )

	<b>For the years ended December 31</b>	
	<b>2024</b>	<b>2023</b>
	<b>Amount</b>	<b>Amount</b>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of investments accounted for using equity method	\$ (202,329)	(166,221)
Disposal of subsidiaries	-	3,020
Refund of capital reduction on investments accounted for using equity method	212,066	-
Acquisition of property, plant and equipment	(1,518)	-
Increase in other receivables	(109,316)	(5,000)
Increase in other financial assets	-	(2,330)
Decrease in other non-current assets	1,722	1,668
<b>Net cash flows from investing activities</b>	<b>(99,375)</b>	<b>(168,863)</b>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term borrowings	3,000	345,000
Increase in short-term notes and bills payable	99,840	-
Proceeds from long-term borrowings	49,817	580,041
Repayments of long-term borrowings	(275,000)	(905,000)
Increase in other receivables -related parties	276,214	-
Payment of lease liabilities	(3,735)	(2,751)
Increase (decrease) in guarantee deposits received	(751)	7
<b>Net cash flows (used in) from financing activities</b>	<b>149,385</b>	<b>17,297</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(110,580)</b>	<b>(302,542)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>158,960</b>	<b>461,502</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 48,380</b>	<b>158,960</b>

See accompanying notes to consolidated financial statements

# Proposed Resolutions

Report no. 2

Proposed by the board of directors

Subject: The profit distribution and loss supplement proposal of 2024 is hereby presented for adoption.

Description:

- I. In accordance with the provisions of the Company's articles of association, taking into account the capital needs of future operating plans, changes in the industrial environment, taking into account shareholders' rights and long-term financial planning, the Company was planned to prepare the statements of profit distribution and loss supplement of 2024 . Please refer to page 39 of this Handbook for details.
- II. According to the audited financial statements for the year 2024, the Company incurred a net loss after tax of \$288,773,334. Therefore, no dividends will be distributed.

Resolution:

First Steamship Company Limited  
Statement of Profit Distribution and Loss Appropriation  
2024

Unit: NT\$

Item	Amount
Unappropriated earnings - beginning of period	0
Add: Remeasurements of defined benefit plans	1,518,377
Less: Current net loss after tax	(288,773,334)
The change in the amount recognized using the equity method for associated enterprises and joint ventures	(963,738)
Losses to be appropriated in 2024	(288,218,695)
Unappropriated earnings - end of period	(288,218,695)

Chairman: Kuo , Jen-Hao

General Manager: Kuo , Jen-Hao

Accounting Officer: Pei , Tz-Yuan



## Discussion Items

Report no. 3

Proposed by the board of directors

Subject: Proposal on amendment to certain provisions of the Company's "Articles of Incorporation."

Description:

- I. In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, the Company intends to amend certain provisions of its Articles of Incorporation. Please refer to page 41 to 42 of this Handbook for a comparison of the amended provisions.

Resolution:

First Steamship Company Limited  
Comparison Table of Amendments to the Articles of Incorporation

Amended Provisions	Current Provisions	Amendment Description
<p>Article 31</p> <p>If the Company makes profits during the year (profits before tax minus the distribution of remuneration for employees and directors), no less than 1% should be appropriated for employee remuneration and no more than 3% for director remuneration. However, if the Company still has accumulated losses, it should reserve the make-up amount in advance.</p> <p>The aforementioned <u>employee remuneration shall be allocated within the specified amount as defined above, with no less than 10% shared with the frontline employees as a result of the Company's operational achievements. The Company may implement this through "employee remuneration," "salary adjustments," or a combination of both methods.</u> The employee</p>	<p>Article 31</p> <p>If the Company makes profits during the year (profits before tax minus the distribution of remuneration for employees and directors), no less than 1% should be appropriated for employee remuneration and no more than 3% for director remuneration. However, if the Company still has accumulated losses, it should reserve the make-up amount in advance.</p> <p>The aforementioned employee remuneration may be in the form of stock or cash. It may be paid to employees of the holding and subordinate companies who meet the Board of Directors' criteria. Remuneration for directors can only be in the form of cash.</p>	<p>In compliance with the amendment to Article 14, Paragraph 6 of the Securities and Exchange Act.</p>

<p>remuneration may be in the form of stock or cash. It may be paid to employees of the holding and subordinate companies who meet the Board of Directors' criteria. Remuneration for directors can only be in the form of cash.</p> <p>The previous two provisions shall be resolved by the Board of Directors and reported to the shareholder meeting.</p>	<p>The previous two provisions shall be resolved by the Board of Directors and reported to the shareholder meeting.</p>	
<p>Article 35</p> <p>This Articles of Incorporation was established on September 3, 1963, the first amendment was made on September 5, 1964....., <u>and the 48th amendment was made on June 13, 2025.</u></p>	<p>Article 35</p> <p>This Articles of Incorporation was established on September 3, 1963, the first amendment was made on September 5, 1964....., and the 47th amendment was made on June 16, 2023.</p>	<p>The date of this amendment is added.</p>

## Discussion Items

Report no. 2                      Proposed by the board of directors

Subject: Removal of non-compete restrictions on elected directors. Please ratify.

Description:

- I. According to Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall in the Board as explain to the Shareholders Meeting the essential contents of such an act and secure approval.
- II. When directors of our Company serve in the management of, invest in, or operate other companies with business scopes identical or similar to that of our company, it is necessary to seek permission from the shareholders' meeting to lift the restriction on competition prohibition for our Company's directors and their representatives, in accordance with the law.
- III. The explanation for the removal of the directors' concurrent positions is as follows:

Title	Company Name
Director: Yonghenghui Investment Co., Ltd. Representative Kuo , Jen-Hao	Pro Brand Technology (TW) Inc. Director Yung Fu Co., Ltd Director

Resolution:

## Extraordinary Motions

## Adjournment

# Appendix I

## Article of Incorporation of the FIRST STEAMSHIP COMPANY LIMITED

(Before Amendments)

### Chapter 1 General Principles

Article 1: The Company is organized in accordance with the provisions of the Company Act and is named “FIRST STEAMSHIP COMPANY, LIMITED.”

Article 2: The Company’s business scope is as follows:

- (i). F111090 Wholesale of Building Materials
- (ii). F113010 Wholesale of Machinery
- (iii). F113030 Wholesale of Precision Instruments
- (iv). F114010 Wholesale of Motor Vehicles
- (v). F114060 Wholesale of Ship and Component Parts (vi).
- (vi). F211010 Retail Sale of Building Materials
- (vii). F213040 Retail Sale of Precision Instruments
- (viii). F213080 Retail Sale of Other Machinery and Equipment
- (ix). F214010 Retail Sale of Motor Vehicles
- (x). F401010 International Trade
- (xi). G801010 Warehousing
- (xii). H201010 Investment
- (xiii). H701010 Housing and Building Development and Rental (xiv).
- (xiv). H701020 Industrial Factory Development and Rental (xv).
- (xv). H701040 Specific Area Development (xvi).
- (xvi). H701050 Investment, Development and Construction in Public Construction
- (xvii). H701060 New County and Community Construction and Investment
- (xviii). H703090 Real Estate Business
- (xix). H703100 Real Estate Leasing
- (xx). I101120 Shipbuilding Consulting
- (xxi). I102010 Investment Consulting
- (xxii). I103060 Management Consulting
- (xxiii). I401010 General Advertising Services

(xxiv). JB01010 Conference and Exhibition Services

(xxv). JE01010 Rental and Leasing

(xxvi). ZZ99999 All business items that are not prohibited or restricted by laws and regulations, except those subject to special approval.

Article 2-1: The Company may make external guarantees in accordance with the “Operating Procedures for Endorsement and Guarantee.”

Article 2-2: The company’s total reinvestment is not subject to the restriction that it may not exceed 40% of the Company’s paid-in capital as stipulated in Article 13 of the Company Act.

Article 3: When necessary, branches may be established domestically and abroad by the resolution of the Board of Directors.

Article 4: The Company’s announcement method shall be handled in accordance with Article 28 of the Company Act.

## Chapter 2      Shares

Article 5: The total capital of the Company is set at NT\$12 billion, divided into 1,200 million shares at NT\$10 per share, and the Board of Directors is authorized to issue the shares in installments.

Article 5-1: In accordance with relevant laws and regulations, the Company may issue new shares to employees for the subscription of employee stock purchase plan and employee restricted stock or transfer bought-back treasury stocks to employees. The issuance or transfer may be made to employees of the holding and subordinate companies that meet certain criteria.

Article 6: All of the Company’s shares shall be registered ones, and shall bear the signature or seal of the director representing the Company, and may be issued after being duly certified or authenticated by a bank which is competent to certify shares under the laws.

Registered share certificates issued by the Company are not required to be printed. The Company, however, should contact the securities

depository and custodian institution for registration of the share certificates, and shall act by the regulations of the institution when it comes to matters in relation to the shares issued by the Company.

Article 7: (Deleted)

Article 8: (Deleted)

Article 9: The Company shall comply with the Company Act, the criteria issued by the Securities and Futures Bureau, and other relevant laws and regulations in the handling of its stock affairs.

Article 10: The transfer of shares shall cease within 60 days before a regular shareholder meeting or within 30 days before a special shareholder meeting or within 5 days before the base date on which the Company decides to distribute dividends and bonuses or other benefits.

### Chapter 3 Shareholder Meeting

Article 11: There are two types of shareholders' meeting, regular and special:

Type A: A regular shareholders' meeting is convened once a year within six months after the end of each fiscal year.

Type B: An Extraordinary shareholders' meetings convened according to the law when necessary.

Shareholders should be notified in writing or electronically of the date and place of the meeting and the reason for the meeting at least 30 days before a regular shareholder meeting and 15 days before a special shareholder meeting, except for shareholders holding less than 1,000 registered shares, which may be notified by public announcement.

Article 12: The convening of regular and special shareholder meetings shall be in accordance with the provisions of the Company Act.

Article 12-1: The Company's shareholders' meeting may be held by video conferencing or other methods promulgated by the central competent authority.



Article 13: The Company's shareholders shall have one voting right per share, except for those who have no voting rights or restricted voting rights in accordance with the Company Law.

Article 14: Shareholders may provide a proxy form issued by the Company stating the scope of authorization and appoint a proxy to attend a shareholder meeting. Except for a trust enterprise or a stock affairs agency approved by the competent securities authority when one person is concurrently appointed as a proxy by two or more shareholders, the voting rights of that proxy must not exceed 3% of the voting rights of the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation in excess of that shall not be counted.

Article 15: Unless otherwise required by the Company Act, resolutions in a shareholder meeting should be made with the presence of shareholders representing a majority of the total number of outstanding shares and with the consent of a majority of the shareholders' voting rights present.

Article 16: (Deleted)

Article 17: Resolutions of a shareholder meeting should be recorded in meeting minutes in accordance with Article 183 of the Company Act.

#### Chapter 4      Directors, Audit Committee and managerial officers

Article 18: The Company shall have five to nine directors, who the shareholder meeting shall elect in accordance with the law.

Regarding the number of directors in the preceding paragraph, the number of independent directors must not be less than three and must not be less than one-fifth of the number of directors.

The Company adopts the candidate nomination system for the election of directors under Article 192-1 of the Company Act, and the shareholders shall elect the directors from a list of candidates. The acceptance of the nomination of director candidates and announcements of related matters

shall be handled in accordance with the Company Act, Securities and Exchange Act and other relevant laws and regulations.

For the election of directors, each share shall have the same number of voting rights as the number of directors to be elected, which may be cast collectively for a single candidate or split among several candidates, and those receiving the greater number of voting rights shall be elected as directors. Independent directors and non-independent directors should be elected at the same time, but their respective elected numbers shall be calculated separately.

Article 19: The Company shall establish an Audit Committee in accordance with the Securities and Exchange Act, which shall consist of all independent directors.

The Audit Committee and its members shall exercise their authority and related matters in accordance with the relevant laws and regulations of the competent securities authority.

Article 20: The Board of Directors are composed of directors, and the chairperson of the board shall be elected to represent the Company externally from among the directors; and there may be a vice-chairperson of the board; When the vacancy of directors reaches one-third, a by-election should be convened at a special shareholder meeting, and the term of office of the succeeding director shall be limited to the original term of office.

Article 21: The term of office of the directors shall be three years and they shall be eligible for re-election. When the term of office of a director expires before re-election, his or her authorities and duties shall be extended until the re-elected director takes office. However, the competent authority may, in accordance with its authority, order the Company to re-elect within a time limit. If the re-election does not take place by the end of the time limit, the director shall be dismissed from office by the end of the time limit.

Article 22: The boarding meetings shall be convened with seven days' notice to all directors but may be convened at any time in case of emergency.

Notice for the convening of the board meetings can be made in writing, email or fax.

When a director entrusts another director to attend the board meeting as a proxy, he or she shall provide a proxy form every time and specify the scope of authorization. A proxy can only be entrusted by one person.

Directors residing abroad may entrust other domestic shareholders in writing to attend the board meetings as proxies.

The proxies mentioned in the preceding paragraph should apply to the competent authority for registration, and the same applies to amendments.

Article 23: The board's chairperson shall chair both the board meeting and the shareholder meeting internally and represent the Company externally. If the chairperson is absent from work or is unable to exercise his or her authority for any reason, related affairs shall be handled in accordance with the provisions of Article 208 of the Company Act.

Article 24: Unless otherwise required by the Company Act, the board meetings shall be convened only with the presence of more than half of the directors, and its resolutions shall only be valid with the approvals of more than half of the directors.

Article 25: The remuneration for the chairperson and directors is authorized to the Board of Directors in accordance with the extent of their participation in the Company's operations and the value of their contributions, and regarding the usual standard in the industry. However, independent directors must not participate in the distribution of the remuneration under Article 31.

The Company may purchase liability insurance for the directors during their term of office for the directors' scope of business. The Company may purchase liability insurance for all directors and representatives appointed as directors or supervisors in a re-invested enterprise during their term of office for the actual needs of the business they perform.

Article 26: The authorities and duties of the Board of Directors are as follows.

- (i). Follow the resolution of the shareholder meeting to determine the business policy.
- (ii). Formulate detailed rules for each department.
- (iii). The selection or dismissal of the general managers.
- (iv). Review budget, final accounting reports, various schedules and business reports.
- (v). Convening of a shareholder meeting.
- (vi). Review sales report.
- (vii). Other authorities and duties in accordance with the Company Act.

Article 27: The resolutions of the Board of Directors shall be recorded in the minutes, signed or sealed by the chairperson, and kept for record together with the attendance book.

Article 28: The Company shall have managerial officers whose appointment, dismissal and remuneration shall be in accordance with Article 29 of the Company Act.

Article 29: Deleted

## Chapter 5 Accountants

Article 30: The Company's fiscal year runs from January 1st to December 31st. After the end of each fiscal year, the Board of Directors should prepare the following schedules and submit them to the regular shareholder meeting for ratification in accordance with the statutory procedures.

- (i). Business report
- (ii). Financial statements
- (iii). Earnings distribution or losses make-up proposal

Article 31: If the Company makes profits during the year (profits before tax minus the distribution of remuneration for employees and directors), no less than 1% should be appropriated for employee remuneration and no more than 3% for director remuneration. However, if the Company still has accumulated losses, it should reserve the make-up amount in advance. The aforementioned employee remuneration may be in the form of stock

or cash. It may be paid to employees of the holding and subordinate companies who meet the Board of Directors' criteria. Remuneration for directors can only be in the form of cash.

The previous two provisions shall be resolved by the Board of Directors and reported to the shareholder meeting.

Article 31-1: 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, in accordance with laws and regulations, the appropriated earnings are set aside or reversed. 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 should be based on actual operating conditions of the year, future investment, development, capital needs, and the financial structure and interests of shareholders. The distributable earnings can be paid in stock or cash except for discretionary retention. However, the cash dividend must not be less than 10% of the total dividend. When the cash dividend per share is less than NT\$0.5, the dividend will not be distributed unless otherwise resolved by the shareholder meeting.

The Company's Board of Directors may, with a resolution approved by a majority of the directors present, with the presence of at least two-thirds of the directors, declare all or part of the dividends to be distributed in cash and report the resolution to the shareholder meeting.

Article 32: :(Deleted)

Article 33: Other internal regulations of the Company shall be stipulated separately.

Article 34: Any matters not covered in this Article of Incorporation shall be governed by the Company Act and relevant laws and regulations.

Article 35: This Article of Incorporation was established on 1963.9.3, the 1st amendment was made on 1964.9.5, the 2nd amendment on 1965.11.4, the 3rd amendment on 1966.10.24, the 4th amendment on 1967.4.12, the 5th amendment on 1968.11.26, the 6th amendment on 1970.4.28, the 7th amendment on 1971.5.6, the 8th amendment on 1972.5.19, the 9th amendment on 1973.5.7, the 10th amendment on 1974.5.10, the 11th amendment on 1975.5.12, the 12th amendment on 1975.10.15, the 13th amendment on 1976.5.10, the 14th amendment on 1977.4.25, the 15th amendment on 1978.5.10, the 16th amendment on 1979.4.25, the 17th amendment on 1980.5.7, the 18th amendment on 1981.5.7, the 19th amendment on 1982.4.30, the 20th amendment on 1984.9.29, the 21st amendment on 1987.6.19, the 22nd amendment on 1988.5.5, the 23rd amendment on 1989.5.16, the 24th amendment on 1990.6.29, the 25th amendment on 1993.11.6, the 26th amendment on 1994.5.21, the 27th amendment on 1996.5.9, the 28th amendment on 1997.5.3, the 29th amendment on 1999.1.12, the 30th amendment on 1999.6.16, the 31st amendment on 2000.5.5, the 32nd amendment on 2002.1.29, the 33rd amendment on 2002.1.29, the 34th amendment on 2002.5.29, the 35th amendment on 2003.10.24, the 36th amendment on 2004.6.25, the 37th amendment on 2005.6.14, the 38th amendment on 2007.6.15, the 39th amendment on 2010.6.25, the 40th amendment on 2012.6.21, the 41st amendment on 2013.6.21, the 42nd amendment on 2016.6.23, the 43rd amendment on 2017.6.21, the 44th amendment on 2019.6.28, the 45th amendment on 2020.9.30, the 46th amendment on 2022.6.24; the 47th amendment on 2023.6.16

## Appendix II

### FIRST STEAMSHIP COMPANY LIMITED

#### Original Article

##### Rules of Procedure for Shareholder Meeting

###### Article 1

In order to establish a good governance system for the shareholder meeting of the Company, improve supervision functions and strengthen management functions, these rules are set forth in accordance with Article 5 of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” for compliance.

###### Article 2

The rules of procedure for the Company’s shareholder meeting should comply with the provisions of these rules unless otherwise provided by laws or regulations.

###### Article 3

Unless otherwise provided by laws and regulations, the Company’s shareholder meeting shall be convened by the Board of Directors.

Where the Company intends to convene a virtual-only Shareholders' Meeting, the rules thereof shall be, except as otherwise provided for in the Regulations Governing the Administration of Shareholder Services of Public Companies, specified in the Company's Articles of Association and shall be resolved by the Board of Directors. In addition, a Shareholders' Meeting may be convened in the form of virtual-only meeting after resolved by more than two-third of all votes in a Board of Directors meeting attended by a majority of all directors.

Any changes to the convening method of a shareholders’ meeting shall be resolved by the board of directors and may not be later than sending the meeting notice of the shareholders’ meeting.

This Company should prepare electronic versions of the shareholders’ meeting notice, proxy forms and the causes and explanations of proposals for ratification or discussion, or the election or dismissal of directors and independent directors and upload them to the Market Observation Post System 30 days before a regular shareholder meeting or 15 days before a special shareholders’ meeting. The Company shall prepare electronic versions of the shareholders’ meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders’ meeting or 15 days before the date of the special shareholders’ meeting. However, if a listed company has a paid-in capital of NT\$10 billion or more as of the end of the most recent fiscal year, or if the shareholdings of foreign and Mainland shareholders as recorded in the shareholders’ roster for the regular shareholders’ meeting in the most recent fiscal year has reached 30% or more, the electronic transmission of the aforementioned electronic file shall be completed 30 days before the convening of the regular shareholders’ meeting. The meeting handbook and supplementary materials of the meeting should be made available to shareholders 15 days before the shareholders’

meeting and are exhibited on the premises of the Company and the professional stock affairs agency appointed by the Company.

The Company shall make the meeting handbook and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:

- I. For physical shareholders' meetings, to be distributed on-site at the meeting.
- II. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
- III. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

The notice and announcement should specify the causes for convening the meeting; with the corresponding party's consent, the meeting notice may be given in electronic form.

The election or dismissal of directors and independent directors, changes in the Article of Incorporation, reduction of capital, application for suspension of a public offering, permission for directors to compete for business, transfer of earnings to capital, transfer of reserves to capital, dissolution, merger, demerger or the matters set forth in Article 185, Paragraph 1 of the Company Act, Article 26-1 and 43-6 of the Securities and Exchange Act, Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers should be listed and explained in the cause for convening and must not be proposed as extraordinary motions; the main contents thereof should be stated and shall not be proposed by extraordinary motions;

Where a re-election of all directors and independent directors and the date of their assumption of offices is stated in the causes for convening the shareholders' meeting, after the completion of the re-election in the meeting, such date of their assumption of office may not be altered by any extraordinary motion or other means in the same meeting.

Shareholders holding more than 1% of the total number of issued shares may submit a proposal to the Company for a regular shareholder meeting. However, the number of items in the proposal is limited to one. A proposal containing more than one item will not be included in the meeting agenda. In addition, when any of the circumstances of Paragraph 4 of Article 172-1 of the Company Act applies to a proposal put forward by a shareholder, the Board of Directors may exclude it from the meeting agenda.

Shareholders may submit proposals for the purpose of urging the Company to promote the public interest or fulfill its social responsibility. Procedurally, it shall be limited to one proposal in accordance with the relevant provisions of Article 172-1 of the Company Act and submissions with more than one proposal shall not be included in the motion.

Prior to the date for the suspension of a stock transfer before a regular shareholder meeting is held, the Company should publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals must not be less than 10 days.

A shareholder proposal is limited to 300 words. If it exceeds 300 words, the proposal shall not be included in the meeting agenda; the proposing shareholder should attend



the shareholder meeting in person or entrust others to attend and participate in the proposal's discussion.

Prior to the date for issuance of the shareholder meeting notice, the Company should inform the proposing shareholder of the proposal screening results. It shall list the proposals that conform to the provisions of this regulation in the meeting notice. For shareholder proposals that are not included in the meeting agenda, the Board of Directors should explain why they are not included in the shareholder meeting.

#### Article 4

A shareholder may appoint a proxy to attend a shareholder meeting at each shareholder meeting by presenting a proxy form issued by the Company, stating the scope of authorization.

A shareholder shall issue only one proxy form and appoint only one proxy and deliver the proxy form to the Company 5 days before the shareholder meeting. In the event of duplicate proxies, the one received earliest shall prevail. However, this does not apply to the situation where a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in the manner of a video conference, a written notice of proxy cancellation should be submitted to the Company 2 days before the meeting. If the cancellation notice is submitted after that time, the exercise of voting right by the proxy in the meeting shall prevail.

#### Article 5 (Principles Governing the Location and Time of Shareholder Meetings)

The location for a shareholder meeting should be the Company's premises, or a place easily accessible to shareholders and suitable for a shareholder meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. The location and time of the meeting should be thoroughly considered with the opinions of independent directors.

When the Company convenes the video shareholders' meetings, the restrictions of convention location in the preceding paragraph do not apply.

#### Article 6 (Preparation of signature book and other documents)

The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on

the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person. Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company should furnish a signature book for attending shareholders, or the attending shareholders may hand in a sign-in card instead.

The Company should give attending shareholders with the meeting handbook, annual report, attendance card, speaker slips, voting ballots and other meeting materials. Where there is an election of directors and independent directors, election ballots should also be furnished.

When a shareholder is a government or a juristic person, the number of representatives to attend the shareholder meeting is not limited to one. When a juristic person is appointed to attend a shareholders' meeting as proxy, it may designate only one person to represent it in the meeting.

Shareholders who would like to attend the teleconferencing shareholder meeting should register with the Company at least two days before the shareholder meeting.

Where the Company convenes the video shareholders' meetings, the Company shall upload the agenda handbook, annual reports and other related information to the video conference platform for the shareholders' meeting at least 30 minutes prior to the meeting and retain the disclosure of such until the meeting ends.

Article 6-1: (Where the video shareholders' meetings are convened, matters to be specified on the meeting notice)

Where the Company convenes the video shareholders' meetings, the meeting notice shall specify the following matters:

- I. The method for shareholders to attend the video conference and exercise their rights.
- II. The handling method when the video conference platform or participation in the manner of video conference fails due to force majeure, such as natural disasters or incidents and the following shall at least be included:
  - (I) The date for the postponement or re-convening when the aforesaid continuous failure cannot be eliminated and thus a postponement or re-convening is required.
  - (II) The shareholders who have not registered to attend the first shareholders' meeting must not attend the postponed or re-convened meeting.
  - (III) statutory quorum for the shareholders' meeting commencement after deducting the shares held by the shares attending the meeting via video conference, the meeting shall continue; the shares held by the shares attending the meeting via video conferencing shall be included in the total shares of the attending shareholders, but deemed abstaining for all proposals in the concerned shareholders' meeting.

- (IV) The handling method where the results of all proposals are announced but the extempore motions are not addressed.
- III. Where the Company convenes the video shareholders' meetings, the proper alternatives provided for the shareholders having difficulties attending in the manner of a video conference shall be specified. Administration of Shareholder Services of Public Companies, the Company shall at least provide connection equipment and necessary assistance to shareholders and set out the application period with the Company and other matters of notice.

#### Article 7 (Chair and Attendees of Shareholder Meeting)

If a shareholder meeting is convened by the Board of Directors, the chairperson of the board shall chair the meeting. When the chairperson is on leave or for any reason unable to exercise the powers of office, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of office, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and understands the company's financial and business conditions. The same shall be true for the representative of a juristic-person director that serves as chair. The same applies if the chair is a representative of a juristic-person director.

For the shareholders' meeting convened by the Board of Directors, the chairperson of the board should preside in person and a majority of the directors, at least one independent director and at least one representative of the various functional committees should attend. The attendance should be recorded in the shareholders' meeting minutes.

If a shareholder meeting is convened by someone with the convening right but other than the Board of Directors, the convening person shall chair the meeting and if there are more than two such persons, one of them shall be elected as the chair of the meeting.

The Company may appoint lawyers, CPA, or related personnel to attend the shareholder meeting.

#### Article 8 (Audio or video recordings of shareholder meetings as evidence)

The Company, beginning from the time it accepts shareholder attendance registrations, should make an uninterrupted audio and video recording of the registration procedure, the shareholder meeting proceedings, and the voting and vote-counting processes.

The recorded materials of the preceding paragraph should be kept for at least one year. However, if a shareholder raises a litigious claim against the Company according to Article 189 of The Company Act, the abovementioned documents must be retained until the end of the litigation.

For the shareholder meetings held by teleconferencing, the Company shall retain records of the shareholders' registration, login, check-in, questioning, voting and vote counting results, etc., and make continuous and uninterrupted audio and video recording of the entire meeting.

The records and audio- and video recordings in the preceding paragraphs shall be properly retained during the Company's survival period and the audio- and video recordings are provided to the organizer of the video conference for custody.

Where the shareholders' meeting is convened in the manner of a video conference, the Company is advised to record the operating interface of the backend at the video conference platform, both video and audio.

## Article 9

Attendance in a shareholder meeting should be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register with the Company in accordance with Article 6.

Before the meeting's conclusion, if the attending shareholders represent a majority of the total number of issued shares, the chair may submit a tentative resolution for voting by the shareholder meeting in accordance with Article 174 of the Company Act.

#### Article 10 Proposal Discussion

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals of that meeting). The meeting should proceed in the order set by the agenda, which may not be changed without a resolution of the shareholder meeting.

If a shareholder meeting is convened by someone with the convening right other than the Board of Directors, the preceding paragraph's provisions shall apply *mutatis mutandis*.

The chair must not declare the meeting adjourned before the conclusion of the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholder meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors should promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to voting, the chair may announce the discussion closed, call for voting, and schedule sufficient time for voting.

#### Article 11 Shareholder's Speech

Before speaking, an attending shareholder must specify the speech's subject on a speaker slip, his or her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

An attending shareholder who has submitted a speaker slip but does not actually speak shall be deemed to have not spoken. When the speech's content does not correspond to the subject given on the speaker slip, the spoken content shall prevail.

Except with the chair's consent, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the topic, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders must not speak or interrupt unless they have sought and obtained the chair's consent and the speaking shareholder; the chair should stop any violation.

When a juristic-person shareholder appoints two or more representatives to attend a shareholder meeting, only one person may speak on the same proposal.

After an attending shareholder speaks, the chairman shall personally answer or designate a person to answer.

Where the Company convenes the video shareholders' meetings, the shareholders attending in the manner of the video conference may inquire with text at the video conference platform of the meeting since it is the chair who announces the meeting commencement until its adjournment. No more than two inquiries should be raised for

each proposal and the maximum length is 200 words. Paragraphs 1 to 5 are not applicable.

Where the inquiries in the preceding paragraph do not violate the requirements or within the scope of the agenda, it is advisable to disclose the inquiries at the video conference platform of the meeting for public knowledge.

#### Article 12 (Calculation of Voting Shares, Recusal System)

Voting in a shareholder meeting should be calculated based on the number of shares.

With respect to resolutions of a shareholder meeting, the number of shares held by a shareholder with no voting right shall not be calculated as part of the total number of issued shares.

When a shareholder has a personal interest in relation to an agenda item that would compromise the Company's interests, that shareholder must not vote on that item and must not exercise voting rights as a proxy for another shareholder.

The number of shares for which voting rights are not allowed to be exercised in the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

Except for a trust enterprise or a stock affairs agency approved by the competent securities authority, when one person is concurrently appointed as a proxy by two or more shareholders, the voting rights of that proxy must not exceed 3% of the voting rights of the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

#### Article 13

A shareholder shall have one voting right per share, except when the shares are restricted shares or have no voting rights under Article 179, Paragraph 2 of the Company Act.

When the Company holds a shareholder meeting, it shall allow the exercise of voting rights by electronic means or by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise should be specified in the shareholder meeting notice. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the Shareholders' Meeting notice. However, such a shareholder shall be deemed to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. It is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph should deliver a written declaration of intent to the Company 2 days before the shareholder meeting. In the event of duplicate declarations of intent, the one received earliest shall prevail. However, if a declaration is made to cancel the said intent, such a declaration shall prevail.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, two business days before the date of

the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Unless otherwise required by the Company Act and by the Company's Article of Incorporation, the approval of a proposal shall require an affirmative vote of a majority of the attending shareholders' voting rights. At the time of voting, the chair or the person designated by the chair should first announce the total number of voting rights of the attending shareholders for each proposal. The shareholders shall vote on each proposal. On the same day after the meeting, the results of shareholders' approvals, disapprovals and abstentions, shall be entered into the Market Observation Post System.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to the vote. When anyone is approved, the other proposals will then be deemed rejected, and no further voting shall be required.

Monitoring and counting personnel for voting on a proposal shall be appointed by the chair, but all monitoring personnel should be shareholders.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends; the shareholder failing to do so will be deemed to have abstained from voting.

In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.

Those who exercise the vote in the manner of writing or electronic method, without withdrawing their expressions of intents and attending the meeting in the manner of a video conference, other than the extempore motions, must not exercise the votes to the original proposal, propose any amendments to the original proposal or exercise the votes to the amendment to the original proposal.

#### Article 14

In the event of an election of directors and independent directors in a shareholders' meeting, the election results, including the list of elected directors and independent

directors and the number of their votes, should be announced on the spot in accordance with the relevant election regulations established by the Company.

The ballots for the election mentioned in the preceding paragraph should be sealed and signed by the monitoring personnel and then properly kept for at least one year. However, if a shareholder raises a litigious claim against the Company according to Article 189 of The Company Act, the abovementioned documents must be retained until the end of the litigation.

#### Article 15

A shareholder meeting's resolutions should be recorded in the meeting minutes, which shall be signed or sealed by the chair and distributed to each shareholder within 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by a public announcement through the Market Observation Post System

The meeting minutes should accurately record the year, month, day and place of the meeting, the chair's name, the methods of ratification, and a summary of the discussions and voting results (including statistics of voting rights) and disclose the number of votes received by each candidate in the event of an election of directors and independent directors. The meeting minutes should be kept for the duration of the existence of the Company.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents, or other force majeure events, and how issues are dealt with shall also be included in the minutes.

Where the Company convenes the video shareholders' meetings, other than complying with the preceding paragraph, the minutes shall also specify the alternatives for the shareholders having difficulties in attending the manner of the video conference.

#### Article 16 ( Public disclosure )

On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting.

In the event of a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting. During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform.



If a resolution in a shareholder meeting constitutes material information required by relevant laws or regulations or by Taiwan Stock Exchange (Taipei Exchange), the Company should transmit the content of such resolution to the Market Observation Post System within the prescribed time period.

#### Article 17 (Maintenance of the order of the meeting)

The personnel administering the shareholder meeting should wear identification cards or armbands.

The chair may direct proctors or security personnel to help maintain order in the meeting place. Proctors or security officers, when helping maintain order at the scene, should wear armbands or identification cards with the word “Proctor.”

If the meeting place is equipped with sound-amplifying equipment, the chair may stop any shareholders from speaking unless they are using the equipment set up by the Company.

When a shareholder violates the rules of procedure, disobeys the chair’s correction, or obstructs the proceedings and refuses to follow the call to stop, the chair may direct proctors or security personnel to escort the shareholder out of the meeting.

#### Article 18 (Meeting Break, Resumption)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting place cannot be further used and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholder meeting may ratify a resolution to resume the meeting at another place.

The shareholder meeting may, in accordance with the provisions of Article 182 of the Company Act, be resolved to be postponed or resumed within five days.

#### Article 19 (Disclosure of information at virtual meetings)

Where the shareholders’ meetings are convened in the manner of a video conference, the Company shall disclose the voting results of each proposal and election results at the video conference platform for the shareholders’ meeting and retain the disclosure at least 15 minutes after the chair declares adjournment.

#### Article 20 (Locations of the virtual conference chair and the recording personnel)

When the Company convenes the video shareholders’ meetings, the chair and the record-keeper shall be at the same location within Taiwan.

#### Article 21 (Handling of disconnection)

Where the shareholders’ meeting is convened in the manner of a video conference, the Company may provide the shareholders with a simple connection test and the related services before and during the meeting in real-time, to help to handle technical problems of communications.

Where the shareholders’ meeting is convened in the manner of video conference, the chair, when declaring the meeting commencement, shall also declare the events not

requiring postponement or re-convening specified in Paragraph 4 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies; before the chair declares the adjournment, in the event where the video conference platform or the participation in the video conference fails for 30 minutes or more due to natural disasters, incidents or other force majeure, the date of the shareholders' meeting postponed to, or re-convened shall be within five days and Article 182 of the Company Act shall not apply.

Where the meeting is to be postponed or re-convened as specified in the preceding paragraph, the shareholders who have not registered to attend the first shareholders' meeting must not attend the postponed or re-convened meeting.

If the meeting is to be postponed or re-convened as specified in Paragraph 2, the shareholders who registered to attend the original meeting via the video conferencing and have completed the acceptance, but did not attend the postponed or re-convened meeting, their attending shares at the original meeting, the exercised voting rights and election rights, shall be counted into the total shares, voting rights and election rights of the attending shareholders in the postponed or re-convened meeting.

The postponement or re-convening of the shareholders' meetings conducted per Paragraph 2 need not again discuss and resolve the proposal that have completed voting and vote calculation, with the announcement of voting results or the list of elected directors.

Where the Company convenes the video-assisted shareholders' meetings and when the video meeting is discontinued as specified in Paragraph 2 and the total attending shares still meet the statutory quorum for shareholders' meeting commencement, the postponement or re-convening of the meeting per Paragraph 2 is not required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

When postponing or resuming a meeting according to paragraph 2, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For the periods specified in the latter part of Article 12 and Paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Paragraph 2 of Article 44-5, Article 44-15, Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall proceed on the date of the postponed or re-convened shareholders' meeting per Paragraph.

#### Article 22 (Handling of digital divide)

When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online. Apart from circumstances stated in paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services

of Public Companies, the Company shall at least provide connection equipment and necessary assistance to shareholders and set out the application period with the Company and other matters of notice.

#### Article 23

The rules will be implemented after approval by a shareholder meeting, and the same applies to amendments.

The entire context of the rules was amended and published on June 18, 2020.

The Rules were first amended on June 24, 2022.

The Rules were secondly amended on June 18, 2024.

### Appendix III

Shareholdings of all directors of FIRST STEAMSHIP COMPANY LIMITED.

The date for the suspension of share transfer: April 15, 2025

Title	Name	Shareholding	Shareholding (%)
Chairperson	Yonghenghui Investment Co., Ltd. Representative: Kuo, Jen-Hao	23,791,000 shares	2.88%
Director	Henghua Investment Co., Ltd. Representative: Chuang, Chien-Wan	57,065,945 shares	6.92%
Director	Xundong Investment Co., Ltd. Representative: Yau ,Dennis Wai Tak	15,154,441 shares	1.84%
Independent director	Chao ,Tseng-Ping	-	-
Independent director	Yang ,Jung-Tsung	-	-
Independent director	Lui, Ping-Sum	-	-
Independent director	Che, Jaime	-	-
Total		96,011,386 shares	11.64%

Remark:

- I. The total number of issued shares on April 15, 2025 was 824,776,067.
- II. The minimum total number of shares legally required to be held by all Company directors is 26,392,834. As of April 15, 2025, all directors held 96,011,386 shares, which complies with the relevant regulations.
- III. The Company has an Audit Committee. There is no compliance issue about the number of shares legally required to be held by supervisors.

## Appendix IV

### Proposals for the shareholder meeting

- I. In accordance with Article 172-1 of the Company Act, Shareholders holding more than 1% of the total number of issued shares may submit a written proposal to the Company for discussion in a regular shareholder meeting.
- II. The period for submission of shareholder proposals for the Company is from April 7, 2025 to April 16, 2025, and it is announced on the Market Observation Post System in accordance with law.
- III. The Company did not receive any shareholder proposals during the period for submission of shareholder proposals.