



洛 碁 實 業 股 份 有 限 公 司
GREEN WORLD HOTELS CO., LTD.

Handbook for the 2022 Annual General Meeting of Shareholders

Meeting date and time: 9:00 a.m. on June 23, 2022

Meeting place: No. 528, Section 7, Zhongxiao East Road, Nangang District,
Taipei City

(Conference Room, 1F, Green World Hotel Nangang)

Shareholders meeting will be held by means of: physical shareholders meeting

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Green World Hotels Co., Ltd.

Procedures of the 2022 Annual General Meeting of Shareholders

- I. Call the Meeting to Order
- II. Remarks by the Chairperson
- III. Report Items
- IV. Ratification Items
- V. Discussion Items
- VI. Elections
- VII. Extraordinary Motions
- VIII. Adjournment

Green World Hotels Co., Ltd.

Agenda of the 2022 Annual General Meeting of Shareholders

Time: 9:00 a.m., Thursday, June 23, 2022

Place: No. 528, Section 7, Zhongxiao East Road, Nangang District, Taipei City
(Conference Room, 1F, Green World Hotel Nangang)

One. Call the Meeting to Order

Two. Remarks by the Chairperson

Three. Report Items

- I. The Company's 2021 annual business report.
- II. Audit Committee's Review Report on the 2021 financial statements
- III. 2021 report on the distribution of compensation for employees and directors.
- IV. Status Report of the accumulated losses reach one-half of paid-in capital.
- V. Amendment to the "Corporate Social Responsibility Best Practice Principles.

Four. Ratification Items

- I. Ratification of the Company's 2020 Business Report and financial statements.
- II. Ratification of the Company's 2020 Deficit Compensation Proposal.

Five. Discussion Items

- I. Amendment to the "Articles of Incorporation."
- II. Amendment to the "Procedures for acquisition or disposition of assets."
- III. Amendment to the "Operational Procedures for Loaning Funds to Others."

Six. Elections: Election of an independent director.

Seven. Extraordinary Motions

Eight. Adjournment

[Report Items]

Report 1

Report: Review of the Company's 2021 business report.

Explanation: Please refer to Annex 1 of this Handbook for the Company's 2021 Business Report.

Report 2

Report: Audit Committee's Review Report on the 2021 Financial Statements.

Explanation: Please refer to Annex 2 of this Handbook for the Audit Committee's Review Report on the Company's 2021 financial statements.

Report 3

Report: Review of the report on the 2021 distribution of compensation for employees and directors.

Explanation:

- I. With respect to Article 22, paragraph 1, of the Articles of Incorporation, if there is profit during the year, the Company shall appropriate 0.7-10% of such profit as the remuneration for employees and not more than 1% as remuneration for directors and supervisors. However, if the Company still has accumulated losses, the amount shall be reserved in advance.
- II. The Company does not plan to distribute compensation to employees and directors in 2021, as it still has accumulated deficit in 2021.

Report 4

Report: Status Report of the accumulated losses reach one-half of paid-in capital.

Explanation:

- I. Based on the audited financial statements by accountants, the accumulated deficit of the Company in 2021 was 1,220,131 thousand NTD, which was over one-half of the paid-in capital of 1,097,283 thousand NTD on December 31, 2021.
- II. Report to the meeting of shareholders according to Article 211 of the Company Act.

Report 5

Report: Report: Review of the report on the amendment to the Company's "Corporate Social Responsibility Best Practice Principles."

Explanation:

- I. Part of the Company's "Ethical Corporate Management Best Practice Principles." was amended in response to the amendments to related laws and regulations of the competent authorities.
- II. Please refer to Annex 5 of this Handbook for the cross reference of the amendment.

[Ratification Items]

Case 1

[Proposed by the Board of Directors]

Proposal: Adoption of the 2021 Business Report and financial statements.

Explanation:

- I. The Company were approved by the board of directors on March 28, 2022 and audited and certified by certified public accountant Yilien Han and Geraltine Huang of KPMG Taiwan.
- II. The Company's 2021 business report and financial statements have been submitted to and verified by an audit committee.
- III. Please refer to Annex 1, Annex 2, and Annex 3 of this Handbook for the abovementioned 2021 financial statements of the Company.
- IV. Please ratify.

Resolution:

Case 2

[Proposed by the Board of Directors]

Proposal: Ratification of the 2021 Deficit Compensation Proposal

Explanation:

- I. The company has no distributable earnings in 2021, hence no dividend will be distributed this year. Please refer to Annex 4 of this Handbook for the Deficit Compensation Table.
- II. Please ratify.

Resolution:

[Discussion Items]

Case 1

[Proposed by the Board of Directors]

Proposal: Amendment to the “Articles of Incorporation.”

Explanation:

- I. To be in compliance with the Company Act announced to Article 172-2, on December 29, 2021, and to fulfill the Company’s operational requirements, it is proposed to amend some of the regulations in the Articles of Incorporation.
- II. Please refer to Annex 6 of this handbook for the comparison table of amendments to the “Articles of Incorporation” of the Company.
- III. Please discuss and verify.

Resolution:

Case 2

[Proposed by the Board of Directors]

Proposal: Amendment to the “Procedures for acquisition or disposition of assets.”

Explanation:

- I. Amendment to the “Procedures for acquisition or disposition of assets” of the Company was conducted in accordance with the “Guidelines for the Acquisition or Disposal of Assets of Public Offering Companies” announced by the Financial Supervisory Commission on January 28, 2022, with Jin-Guan-Zheng-Fa-Zi No. 1100380465. and with the Taipei Exchange on January 12, 2022 with Cheng-Guai-Jian-Zi No. 1110200091.
- II. Please refer to Annex 7 of this handbook for the comparison table of amendments to the “Procedures for acquisition or disposition of assets.”
- III. Please discuss and verify.

Resolution:

Case 3

[Proposed by the Board of Directors]

Proposal: Amendment to the “Operational Procedures for Loaning Funds to Others.”

Explanation:

- I. Amendment to the “Operational Procedures for Loaning Funds to Others” of the Company was conducted in accordance with the Taipei Exchange on January 12, 2022 with Cheng-Guai-Jian-Zi No. 1110200091.
- II. Please refer to Annex 8 of this handbook for the comparison table of amendments to the Company’s “Operational Procedures for Loaning Funds to Others”.
- III. Please discuss and verify.

Resolution:

[Elections]

[Proposed by the Board of Directors]

To elect one Independent Director

Explanation:

- I. For resignation of Independent Director, Huang, Chen-Chen on January 11, 2022 reasons, we apply to the Meeting of Shareholders to elect one Independent Director.
- II. The company's directors shall be elected by adopting candidate's nomination system. Shareholders shall elect the independent director for the list of Independent Director Candidate. Please refer to the list below resolved in the Board of Directors meeting convened on March 28, 2022.
- III. The term of office of the Independent Director to be elected shall expire on the same date as the term of the existing directors (from June 23, 2022 to June 14, 2023).
- IV. Please elect the new Boards of Directors.

Name	Shareholdings (shares)	Education background	Work Experience	Type
CHIU, SHAO- CHIN	0	Department of Japanese, Tamkang University	Assistant Manager, KISCO (TAIWAN) LTD.	Independent Director

Election Results:

[Extraordinary Motions]**[Adjournment]**

Business Report

2022 marks the third year of the COVID-19 pandemic. The virus has spread from Asia to Europe, the Americas, New Zealand, and Africa. With a view to containing or slowing down the epidemic, any countries have closed their borders, imposed travel restrictions, and announced the suspension of non-essential visas. In mid-May 2021, the nationwide COVID-19 alert was raised to Level 3 and epidemic restrictions in all areas of Taiwan were tightened and expanded accordingly. The Central Epidemic Command Center announced a ban on unauthorized foreigners entering the country. In addition, all travelers arriving in Taiwan must undergo home isolation or quarantine for 14 days, regardless of their nationalities. Against the backdrop of the ongoing pandemic, the recovery of the tourism industry appears to be shrouded in numerous uncertainties.

All of our Company's hotels are located in Taipei City, which is considered the area most seriously affected by the pandemic. Over the past two years, the Company shut down a total of four hotels (Green World Songjiang, Green World Flora Main, and Flora Hotel Main Station in 2020 and Green World Mai - Zhongshan in 2021). As of the end of 2021, we own and operate a total of 15 hotels (including Sky 8 and Shye Mei), which generated a total revenue of 391,664 thousand NTD in 2021. This marks a decline of 11% compared to the previous year. The net deficit after tax in 2021 and 2020 amounted to 362,481 thousand NTD and 857,827 thousand NTD, respectively.

The 2021 annual business report of the Company is as follows:

I. The 2021 annual consolidated financial report: (in thousand NTD)

(I) The 2021 business implementation results

Items	Year	
	2020	2021
Operating revenue	441,242	391,664
Operating costs	676,657	583,703
Operating gross or loss profit	(235,415)	(192,039)
Operating gain or loss	(320,477)	(249,958)
Non-operating gain or loss	(481,940)	(107,515)
Net profit (loss) before tax	(802,417)	(357,473)
Net profit (loss) of the current period	(857,827)	(362,481)

(II) The status of budget execution in 2021: the Company did not make any financial forecasts and thus, this does not apply to the Company.

(III) The 2021 financial analysis

Items	Year		
	2020	2021	
Financial structure	Ratio of debts to assets	80.32%	86.85%
	Percentage of long-term funds to real property, plant and equipment	374.14%	361.44%
Solvency	Current ratio	45.06%	31.62%
	Quick ratio	43.11%	29.76%

Items		Year	
		2020	2021
Management capacity	Receivables turnover (number of times)	8.47	20.41
	Average number of cash received days	43.09	17.88
Profitability	Return on assets	(15.62%)	(7.61%)
	Return on equity	(66.92%)	(53.96%)
	Ratio of net profit before tax to paid-up capital	(73.13%)	(32.58%)
	Profit margin	(194.41%)	(92.55%)
	Earnings per share (dollars)	(7.82)	(3.30)

(IV) Status of research and development

The Company's main business operations are tourism hotels and related businesses, so it is not applicable.

II. It is affected by the external competitive environment, regulatory environment and the overall environment of business operations:

With the impact of the COVID-19 pandemic in 2020, Taiwan began to strengthen control of border entry/exit in late March 2020. Foreign businessmen and tourists have been banned from traveling to the nation as Taiwan closed its borders. The absence of foreign tourists is devastatingly harmful to Taiwan's tourism industry.

The number of tourists traveling to Taiwan in 2021 was 140,479 which decreased 89.80% compared to 2020. The detailed data of the main tourists traveling to Taiwan in 2021 are as follows.

Region	Number of tourists visiting Taiwan in 2020	Number of tourists visiting Taiwan in 2021	Increase or decrease %	Increase or decrease number
Southeast Asia	435,383	65,309	(85.00%)	(370,074)
Japan	269,659	10,056	(96.27%)	(259,603)
South Korea	178,911	3,300	(98.16%)	(175,611)
Hong Kong and Macau	177,654	10,760	(93.94%)	(166,894)
Mainland China	111,050	13,267	(88.05%)	(97,783)

In terms of hotel supply, the total number of legal hotels in Taipei City and New Taipei City had decreased by 24 in 2021

and the number of rooms had decreased by 181; the number of tourist hotels has decreased by two and the number of rooms has decreased by 474; the total number of rooms has increased by 655. The number of tourists dropped tremendously due to the impact of the COVID-19 pandemic and the competition from illegal accommodation providers, which were huge challenges that hotel business operations had to face due to the COVID-19 pandemic in 2021.

III. Summary of the 2022 business plan and future development strategy of the Company:

【Foreword】

As the pandemic continues to rage across the world, Taiwan enters the third year of closed borders since 2020 and there is still no light at the end of the tunnel for the tourism industry. Taiwan was able to effectively control the local epidemic until a cluster infection suddenly occurred in mid-2021. In a matter of weeks, the daily number of new cases rose from 0 to several hundred. The government therefore decided to raise the epidemic alert from Level 2 to Level 3, restricting in-restaurant dining and large-scale conferences and commercial gatherings and activities. It also appealed to the public to avoid unnecessary travel, which had a serious impact on the domestic demand for accommodation. Despite the gradually rising vaccination rates in major countries after the launch of COVID-19 vaccines, breakthrough infections by the Delta variant were rampant and Taiwan faced serious obstacles in the acquisition of vaccines. With a view to preventing another large-scale outbreak in Taiwan, the government therefore decided to adopt a strategy of gradual reopening coupled with strict border control measures. There are currently no signs of a plan to reopen the border. The following will be carried out in order regarding the business operations after the year 2022.

- ① During the pandemic period of COVID-19, we have put much effort into preventing cash loss to maintain a robust financial condition.
- ② After the COVID-19 pandemic is suppressed, we will reform the organization and systems in order to increase the profits to even higher than the time before the pandemic.

[Countermeasures during the COVID-19 pandemic]

The business operations are tremendously difficult before the country's lockdown is lifted. Non-emergency investments will be suspended in order to minimize cash expenditures. Our business operations will be conducted mainly on the three strategies: "sales strategy," "cost reduction strategy," and "fund management strategy."

① Sales strategy

(1) Gain more domestic accommodation demands

The domestic accommodation demands for Taiwanese travelers in Taipei mainly include two types: tourism and business trips.

The accommodation demand in Taipei is determined by the pleasure and business travel volume and high guest return rates. In addition to the continued promotion and enhancement of guest loyalty programs, we have therefore decided to launch a Green World Membership System paired with instant rewards in form of member points and numerous new membership models which can be freely selected by our guests in cooperation with FunNow, a leading provider of instant booking services.

(2) Reinforced cross-industry cooperation

A significant percentage of travelers who stay in hotels in the Taipei area reach the city by Taiwan High-Speed Rail (THSR). Several hotels have already been selected for the THSR+Hotel Combo Ticket Promotion Plan. We therefore plan to intensify our cooperation with THSR. In response to the dropping occupancy rates and high vacancy rates as a result of the epidemic, we strive to offer our guests more variation through cooperation with bedding manufacturers and thereby increase overall occupancy rates and average room rates.

(3) Operation of quarantine hotel

Despite the fact that the local outbreak is gradually abating, the global epidemic situation is still critical and the speed of vaccination is lagging behind major foreign countries. With a view to effectively containing the epidemic, the government has adopted a regulation that requires all persons entering the country to stay in a quarantine hotel for 15 days unless special circumstances exist. The demand for quarantine hotel rooms is therefore considered stable. We are currently operating three quarantine hotels

and plan to make more hotels available for quarantine stays in the future. This policy has been paired with a strategy of differentiation and segmentation which involves a classification of quarantine hotels into three categories (admittance of general home quarantine individuals, foreign migrant worker groups, and individuals required to self isolate or identified as potential contacts) to maintain a firm grasp of different customer bases. On the other hand, we closely monitor the lifting of border restrictions and strive to stay abreast of the latest developments in the phasing out of quarantine hotel service regulations. This approach enables us to rapidly resume normal operations after border reopening, maintain a real-time grasp of quarantine hotel demand changes, and respond to such developments in a flexible manner. The ultimate goal lies in the maximization of revenues derived from quarantine hotels.

(4) Other revenues

We strive to generate other revenue sources through flexible use of existing facilities and spaces for rental and catering services based on a core strategy of developing idle spaces.

With regard to space rental, we currently make flexible use of existing facilities by making them available as conference rooms, dining and parking spaces, and billboards for rental and thereby generate additional revenues. In the field of catering services, we strive to provide meals for our guests in quarantine hotels and offer take-out bento boxes for external customers. If excellent results are achieved in these areas, we will further expand our efforts in relevant fields.

② Cost reduction strategy

(1) Maintenance of personnel costs

After the outbreak of the COVID-19 pandemic, our staff was cut, which was about 40% less compared to the manpower before the outbreak.

Since the number of staff has been reduced, the group's business is maintained with a minimum number of staff. It is difficult to implement more staff cuts in the future.

As new COVID-19 variants cause flare-ups of the pandemic worldwide, Taiwan is in constant danger of another local outbreak. The epidemic alert has therefore not been further lowered below Level 2. Against this backdrop, we strive to curb manpower increases.

(2) Cutting rental costs

After the outbreak of the COVID-19 pandemic, in addition to the contract cancellation of the stores in deficit (Green World Songjiang, Green World Flora Main, Flora Hotel Main Station and Green World Mai – Nanjing), and we also negotiated with the landlord about rent reduction for the Zhong branch contract.

In the future, we will continue to negotiate with the landlord for rent reductions.

(3) Cutting variable expense

Since the outbreak of the COVID-19 pandemic, we have continuously put effort into reducing all variable expenses.

In order to reduce variable expenses, the completed tasks such as improvement in the work process, and reduction in the contractual amount of using water, electricity and propane gas. In the future, we will continue to analyze variable expenses to ensure that they are not too high.

③ Fund management strategy

The granting of loans by Mega International Commercial Bank and Sumitomo Mitsui Banking Corporation has guaranteed our ability to acquire sufficient capital. With a view to reducing interest expenditures and ensuring our repayment ability, we conduct

effective assessments to determine opportune times for the utilization of funding sources. A highly effective use of available capital will enable us to weather the storm of the pandemic.

[Reform after the COVID-19 pandemic is suppressed]

Once the COVID-19 pandemic is suppressed, the country's lockdown will be gradually lifted. Then the following reforms will be implemented in order to reach higher profits than the time before the outbreak of COVID-19.

① Organizational reform

(1) Establish a hotel on-site management system

We currently have 15 hotels in business operations, with a total of five vice presidents who are in charge of hotel operations.

The number of vice presidents who are in charge of hotel operations will be reduced, as the operations can be conducted with fewer vice presidents. The pace of business growth is expected to increase with the dedication of vice presidents to their new missions.

(2) Effective communication between the headquarters and on-site hotels

At present, there are many ineffective communications between the headquarters and on-site hotels. With a clear definition of business scopes for the headquarters and on-site hotels, conduct staff cut according to the needs, reform the organization to enhance efficiency.

② Effectiveness and systematization of the work process

At present, most of the hotels' on-site counters and the accounting department of the headquarters are labor intensive, which requires a large number of staff.

The work process should be reviewed and standards for new work process should be stipulated. At the same time, the introduction of an automated system based on RPA is able to integrate the system, and it is expected to continue business operation with a system without requiring more manpower after the COVID-19 pandemic.

③ Strengthen the membership system.

The Green World Membership System and the booking system of the new website were launched online right at the moment when the local outbreak hit Taiwan. As a result, bookings were sluggish. However, we gained numerous valuable experiences through our direct interactions with consumers. We are therefore firmly committed to ongoing enhancements of consumer experiences associated with our systems and ongoing improvements of system deficiencies and logistics operations and procedures. These measures will enable us to attract more guests through our new booking system as we gradually emerge from the pandemic and bookings start to pick up.

④ Renovation of aged hotel facilities

As a result of aging hotel facilities, only certain rooms are available for booking by customers.

With a view to minimize such opportunity losses, we have initiated renovation operations. Concrete renovation plans are being formulated for the New World Hotel and Flore Annex. Once these plans which aim to achieve maximum benefits at minimum costs are completed, implementation will be initiated.

Green World Hotels Co., Ltd.

Chairman and General Manager: Hsieh Hsien-Chih

CAO: Peng Fei-xiu

Green World Hotels Co., Ltd.
The Audit Committee's Review Report

The company's board of directors has prepared and submitted the 2021 business report, the profit distribution table, and the individual financial statements and consolidated financial statements audited by accountants Han, Yilien and Huang, Geraltine of the KPMG Taiwan. We, as Audit Committee's of Green World Hotels Co., Ltd., hereby declare that we have reviewed and verified the abovementioned documents and that they are in compliance with the provisions of Article 219 of the Company Act and relevant laws and regulations. For your honor's verification.

Sincerely yours,

Green World Hotels Co., Ltd.; The 2022 Annual General Meeting of Shareholders

Chairman of Audit Committee: Liu, Shui-Sheng

Date: March 28, 2022

Representation Letter

The entities that are required to be included in the combined financial statements of Green World Hotels Co., Ltd. as of and for the year ended December 31, 2021 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements" endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Green World Hotels Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Green World Hotels Co., Ltd.

Chairman: Hsien-Chih Hsieh

Date: March 28, 2022

Independent Auditors' Report

To the Board of Directors of Green World Hotels Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Green World Hotels Co., Ltd. (“the Company”) and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, 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 significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, 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 Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in 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 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. 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 of the current period. 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 assets

Please refer to 4(h), 4(i) and 4(j) for the accounting policy on “Property, plant and equipment”, “Leases” and “Intangible assets”; 5(a) for the significant accounting assumptions and judgments, and major sources of estimation uncertainty of “Evaluation of impairment of assets”; and 6(c), 6(d) and 6(e) for information on “Property, plant and equipment”, “Leases” and “Intangible assets”.

Description of key audit matter

As of December 31 2021, the carrying amounts of right-of-use assets, intangible assets, property, plant and equipment, constitute 89% of the total assets of the Group. As well as the COVID-19 pandemic in the beginning of 2020, the estimated recoverable amount of future discounted cash flows is highly uncertain; hence, there is a risk of overestimating the carrying amount of right-of-use assets, intangible assets, property, plant and equipment. We pay more attention to the appropriateness of the assumptions, estimates and judgments of the future discounted

cash flows during the audit process.

How the matter was addressed in our audit

The work includes evaluating whether management has identified all cash-generating units which might have impairments and considering whether all the assets which need to be tested have been included in the impairment assessment.

We also review the main parameters used by management to estimate future cash flow (e.g. expected growth rate, discount rate, profit margin, cash-based revenue, and cost increase rate). We verify the reasonableness of the assumptions and the accuracy of management's calculation based on available data.

2. Revenue recognition

Please refer to note 4(l) and 6(o) for accounting policy on "Revenue recognition" and details on "Revenue from contracts with customers", respectively.

Description of key audit matters

The Group mainly engages in hotel room service, where the most sources of its customers are individual tourists and travel agents. Having a large number of transactions and different unit prices, it usually in a lot of manual operations, which may result in the Financial Statements. Therefore, the room service revenue is one of our key audit matters.

How the matter was addressed in our audit

We performed the following audit procedures to address the abovementioned key audit matter :

- (1) Understanding and testing the effectiveness of internal control procedures on room revenue recognition.
- (2) Obtaining daily operating reports from the Company, wherein we audit the reservation records and passenger registration cards of customers to verify whether the amounts of revenue are consistent with those of the room bills and invoices.
- (3) Ensuring the consistency of the amounts of revenue, receivables and daily operating report.
- (4) Analyzing the housing trends, including the information on room occupancy rates, average room prices, etc., to evaluate the reasonableness of room service revenue.
- (5) Conducting cut off test to confirm whether the timing of the revenue recognition is reasonableness.

Emphasis of Matter

Since 2021, the COVID 19 pandemic continued to have an impact on the Group's business, the room occupancy rates fell sharply, which in turn, also affected the business operation of the Group. As the December 31, 2021, the Group's accumulated deficit had reached the capital stock of (111)%, and the amount of current liabilities exceeded the current assets of \$552,508 thousand, resulting in the debt ratio to reach 87%. For relevant disclosures on liquidity risk, please refer to note 6(t)(iv) and 11. Our opinion is not modified in respect of this matter.

Other Matter

The Company has prepared its parent-company-only financial statements as of and for the years ended December 31, 2021 and 2020, on which we have issued an unqualified opinion with emphasis of matter paragraph.

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, IFRC, 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) 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 auditing standards generally accepted in 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 auditing standards generally accepted in 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 appropriate audit evidence regarding the financial information of the entities or business

activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yilien Han and Hsin-Ting Huang.

KPMG

Taipei, Taiwan (Republic of China) March 28, 2022

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

GREEN WORLD HOTELS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar)

Assets		December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
Current assets:					
1100	Cash and cash equivalents (note 6(a))	\$ 221,268	6	303,112	7
1150	Notes receivable, net (note 6(b), (o) and 7)	424	-	569	-
1170	Accounts receivable, net (note 6(b), (o) and 7)	17,649	-	19,731	-
1220	Current tax assets	114	-	95	-
1476	Other current financial assets (note 6(f))	1,022	-	1,040	-
1479	Other current assets	<u>15,035</u>	<u>-</u>	<u>14,677</u>	<u>-</u>
		<u>255,512</u>	<u>6</u>	<u>339,224</u>	<u>7</u>
Non-current assets:					
1600	Property, plant and equipment (note 6(c))	808,617	22	957,037	22
1755	Right-of-use assets (note 6(d))	2,414,556	65	2,756,253	64
1780	Intangible assets (note 6(e))	65,051	2	83,286	2
1840	Deferred tax assets (note 6(I))	39,582	1	44,590	1
1980	Other non-current financial assets (note 6(f), 7 and 8)	<u>147,344</u>	<u>4</u>	<u>153,171</u>	<u>4</u>
		<u>3,475,150</u>	<u>94</u>	<u>3,994,337</u>	<u>93</u>
Total assets		\$ <u>3,730,662</u>	<u>100</u>	<u>4,333,561</u>	<u>100</u>

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

GREEN WORLD HOTELS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets (CONT'D)

December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar)

		<u>December 31, 2021</u>		<u>December 31, 2020</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Liabilities and Equity					
Current liabilities:					
2100	Short-term borrowings (note 6(g) and 7)	\$ 390,000	10	350,000	
2130	Current contract liabilities (note 6(o))	28,095	1	13,324	-
2150	Notes payable	633	-	480	-
2170	Accounts payable (note 7)	22,250	1	22,445	1
2200	Other payable (note 6(c) and 7)	19,356	1	25,084	1
2280	Current lease liabilities (note 6(i) and 7)	346,037	9	340,867	8
2399	Other current liabilities	1,649	-	681	-
		<u>808,020</u>	<u>22</u>	<u>752,881</u>	<u>18</u>
Non-Current liabilities:					
2540	Long-term borrowings (note 6(h))	50,000	1	-	-
2580	Non-current lease liabilities (note 6(i) and 7)	2,380,546	64	2,726,583	63
2645	Guarantee deposits	1,608	-	1,128	-
		<u>2,432,154</u>	<u>65</u>	<u>2,727,711</u>	<u>63</u>
	Total liabilities	<u>3,240,174</u>	<u>87</u>	<u>3,480,592</u>	<u>81</u>
Equity attributable to owners of parent (notes 6(m)):					
3100	Capital stock	1,097,283	30	1,097,283	25
3200	Capital surplus	604,393	16	604,393	14
3310	Legal reserve	8,943	-	8,943	-
3350	Accumulated deficit	(1,220,131)	(33)	(857,650)	(20)
	Total equity	<u>490,488</u>	<u>13</u>	<u>852,969</u>	<u>19</u>
	Total liabilities and equity	<u>\$ 3,730,662</u>	<u>100</u>	<u>4,333,561</u>	<u>100</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
GREEN WORLD HOTELS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar , except earnings per share)

		<u>2021</u>		<u>2020</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenues (note 6(o) and 7)	\$ 391,664	100	441,242	100
5000	Operating costs (note 6(c), (d), (e), (k) and 7)	<u>583,703</u>	<u>149</u>	<u>676,657</u>	<u>153</u>
	Gross profit from operations	<u>(192,039)</u>	<u>(49)</u>	<u>(235,415)</u>	<u>(53)</u>
	Operating expenses (note 6(c), (d), (e), (j), (k) and 7):				
6100	Selling expenses	53,049	14	66,288	15
6200	Administrative expenses	<u>39,209</u>	<u>10</u>	<u>48,857</u>	<u>11</u>
	Operating expenses	<u>92,258</u>	<u>24</u>	<u>115,145</u>	<u>26</u>
6500	Net other income (expenses) (note 6(q))	<u>34,339</u>	<u>9</u>	<u>30,083</u>	<u>7</u>
	Operating expenses	<u>(249,958)</u>	<u>(64)</u>	<u>(320,477)</u>	<u>(72)</u>
	Non-operating income and expenses (note 6(c), (e), (r) and 7):				
7100	Interest income	1,095	-	3,158	1
7020	Other gains and losses, net	(39,113)	(10)	(404,661)	(92)
7050	Finance costs	<u>(69,497)</u>	<u>(18)</u>	<u>(80,437)</u>	<u>(18)</u>
		<u>(107,515)</u>	<u>(28)</u>	<u>(481,940)</u>	<u>(109)</u>
7900	Loss before income tax	(357,473)	(92)	(802,417)	(181)
7950	Less: Income tax expenses (note 6(l))	<u>5,008</u>	<u>1</u>	<u>55,410</u>	<u>13</u>
	Loss	<u>(362,481)</u>	<u>(93)</u>	<u>(857,827)</u>	<u>(194)</u>
8300	Other comprehensive income, net	-	-	-	-
8500	Comprehensive income	<u>\$ (362,481)</u>	<u>(93)</u>	<u>(857,827)</u>	<u>(194)</u>
	Profit attributable to:				
8610	Owners of parent	<u>\$ (362,481)</u>	<u>(93)</u>	<u>(857,827)</u>	<u>(194)</u>
	Comprehensive income attributable to:				
8710	Owners of parent	<u>\$ (362,481)</u>	<u>(93)</u>	<u>(857,827)</u>	<u>(194)</u>
	Basic earnings per share (note 6(n))				
9710	Basic loss per share (NT dollars)	<u>\$ (3.30)</u>		<u>(7.82)</u>	
9810	Diluted loss per share (NT dollars)	<u>\$ (3.30)</u>		<u>(7.82)</u>	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
GREEN WORLD HOTELS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2021 and 2020
 (expressed in thousands of New Taiwan Dollar)

	Equity attributable to owners of parent					Total equity attributable to owners of parent	Total equity
	Capital stock	Capital surplus	Legal reserve	Retained earnings	Total equity attributable to owners of parent		
				Unappropriated retained earnings (accumulated deficit)			
Balance on January 1, 2020	\$ 1,097,283	604,393	8,923	197	1,710,796	1,710,796	
Loss for the year ended December 31, 2020	-	-	-	(857,827)	(857,827)	(857,827)	
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	-	-	
Comprehensive income for the year ended December 31, 2020	-	-	-	(857,827)	(857,827)	(857,827)	
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	20	(20)	-	-	
Balance on December 31, 2020	1,097,283	604,393	8,943	(857,650)	852,969	852,969	
Loss for the year ended December 31, 2021	-	-	-	(362,481)	(362,481)	(362,481)	
Comprehensive income for the year ended December 31, 2021	-	-	-	-	-	-	
Comprehensive income for the year ended December 31, 2021	-	-	-	(362,481)	(362,481)	(362,481)	
Balance on December 31, 2021	\$ 1,097,283	604,393	8,943	(1,220,131)	490,488	490,488	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
GREEN WORLD HOTELS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar)

	2021	2020
Cash flows from (used in) operating activities:		
(Loss) profit before tax	\$ (357,473)	(802,417)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	454,519	487,027
Amortization expense	18,834	19,735
Interest expense	69,497	80,437
Interest income	(1,095)	(3,158)
Impairment loss on non-financial assets	40,639	440,553
Loss (gain) on lease termination	(27)	(27,891)
Loss (gain) from disposal of property, plant and equipment	127	(1,862)
Loss (gain) from disposal of intangible assets	115	129
Rent concessions	(65,388)	(62,211)
Total adjustments to reconcile profit	517,221	932,759
Changes in operating assets and liabilities:		
Notes receivable	145	28,708
Accounts receivable	2,082	34,790
Other current assets	(2,996)	(947)
Other financial assets	18	151
Contract liabilities	14,771	2,737
Notes payable	153	(762)
Accounts payable	(195)	(26,767)
Other payable	(3,699)	(28,270)
Other current liabilities	968	(730)
Total changes in operating assets and liabilities	11,247	8,910
Total adjustments	528,468	941,669
Cash inflow generated from operations	170,995	139,252
Interest received	1,095	3,158
Interest paid	(69,497)	(80,437)
Income taxes paid	(19)	139
Net cash flows from operating activities	102,574	62,112

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

GREEN WORLD HOTELS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (CONT'D)

For the years ended December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar)

	<u>2021</u>	<u>2020</u>
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(4,444)	(19,37)
Proceeds from disposal of property, plant and equipment	-	2,85
Acquisition of intangible assets	(1,611)	(4,41)
Other financial assets	<u>5,827</u>	<u>263,33</u>
Net cash flows from (used) in investing activities	<u>(228)</u>	<u>242,40</u>
Cash flows used in financing activities:		
Increase (decrease) in short-term loans	40,000	(40,00)
Proceeds from long-term debt	50,000	-
Increase (decrease) in guarantee deposits received	480	(10)
Payment of lease liabilities	<u>(274,670)</u>	<u>(295,93)</u>
Net cash used in financing activities	<u>(184,190)</u>	<u>(336,03)</u>
Net decrease in cash and cash equivalents	(81,844)	(31,52)
Cash and cash equivalents at beginning of period	<u>303,112</u>	<u>334,63</u>
Cash and cash equivalents at end of period	<u>\$ 221,268</u>	<u>303,11</u>

Independent Auditors' Report

To the Board of Directors of Green World Hotel Co., Ltd.:

Opinion

We have audited the financial statements of Green World Hotels Co., Ltd. (“the Company”), which comprise the balance sheets as of December 31, 2021 and 2020, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, 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 audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in 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. 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 of the current period. 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 described below to be the key audit matters to be communicated in our report.

1. Impairment of assets

Please refer to 4(h), 4(i) and 4(j) for the accounting policy on “Property, plant and equipment”, “Leases” and “Intangible assets”; 5(a) for the significant accounting assumptions and judgments, and major sources of estimation uncertainty of “Evaluation of impairment of assets”; and 6(d), 6(e) and 6(f) for information on “Property, plant and equipment”, “Leases” and “Intangible assets”.

Description of key audit matters:

As of December 31, 2021, the carrying amount of right-of-use assets, intangible assets, property, plant and equipment constitute 89% of the total assets of the Company. As well as the COVID-19 pandemic in the beginning of 2020, the estimated recoverable amount of future discounted cash flows is highly uncertain; hence, there is a risk of overestimating the carrying amount of right-of-use assets, intangible assets, property, plant and equipment. We pay more attention to the appropriateness of the assumptions, estimates and judgments of the future discounted cash flows during the audit process.

How the matter was addressed in our audit:

We cast professional skepticism on management's impairment assessment model. The work includes evaluating whether management has identified all cash generating units which might have impairments and considering whether all the assets which need to be tested have been included in the impairment assessment.

We also review the main parameters used by management to estimate future cash flow (e.g. expected growth rate, discount rate, profit margin, cash-basis revenue, and cost increase rate). We verify the reasonableness of the assumptions and accuracy of management's calculation based on available data.

2. Revenue recognition

Please refer to note 4(l) and 6(p) for accounting policy on "Revenue recognition" and details on "Revenue from contracts with customers", respectively.

Description of key audit matters:

The Company mainly engages in hotel room service, where the most sources of its customers are individual tourists and travel agents. Having a large number of transactions and different unit prices, it usually in a lot of manual operations, which may result in the Financial Statements. Therefore, the room service revenue is one of our key audit matters.

How the matter was addressed in our audit:

We performed the following audit procedures to address the abovementioned key audit matter:

- (a) Understanding and testing the effectiveness of internal control procedures on room revenue recognition.
- (b) Obtaining daily operating reports from the Company, wherein we audit the reservation records and passenger registration cards of customers to verify whether the amounts of revenue are consistent with those of the room bills and invoices.
- (c) Ensuring the consistency of the amounts of revenue, receivables and daily operating report.
- (d) Analyzing the housing trends, including the information on room occupancy rates, average room prices, etc., to evaluate the reasonableness of room service revenue.
- (e) Conducting cut off test to confirm whether the timing of the revenue recognition is reasonable.

Emphasis of Matter

Since 2021, the COVID 19 pandemic continued to have an impact on the Company's business, the room occupancy rates fell sharply, which in turn, also affected the business operation of the Company. As the December 31, 2021, the Company's accumulated deficit had reached the capital stock of (111)%, and the amount of current liabilities exceeded the current assets of \$552,508 thousand, resulting in the debt ratio to reach 87%. For relevant disclosures on liquidity risk, please refer to note 6(u)(iv) and 11. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the 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.

Auditors' Responsibilities for the Audit of the 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 statements.

As part of an audit in accordance with auditing standards generally accepted in 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 and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this 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 Yilien Han and Hsin- Ting Huang.

KPMG

Taipei, Taiwan (Republic of China)

March 28, 2022

(English Translation of Financial Statements Originally Issued in Chinese)

GREEN WORLD HOTEL CO., LTD.

Balance Sheets

December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar)

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Current assets:					
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1476	Other current financial assets (notes 6(g))	1,022	-	1,040	-
1479	Other current assets	15,035	-	14,677	1
		<u>255,512</u>	<u>6</u>	<u>337,500</u>	<u>8</u>
Non-current assets:					
1550	Investments accounted for using equity method, net (note 6(c))	-	-	4,724	-
1600	Property, plant and equipment (note 6(d))	808,617	22	957,037	22
1755	Right-of-use assets (notes 3(a) and 6(e))	2,414,556	65	2,756,253	64
1780	Intangible assets (note 6(f))	65,051	2	83,286	2
1840	Deferred tax assets (note 6(m))	39,582	1	44,590	1
1980	Other non-current financial assets (notes 6(g), 7 and 8)	147,344	4	150,171	3
		<u>3,475,150</u>	<u>94</u>	<u>3,996,061</u>	<u>92</u>
Total assets		\$ 3,730,662	100	4,333,561	100

(English Translation of Financial Statements Originally Issued in Chinese)

GREEN WORLD HOTEL CO., LTD.

Balance Sheets (CONT'D)

December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar)

		<u>December 31, 2021</u>		<u>December 31, 2020</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Liabilities and Equity					
Current liabilities:					
2100	Short-term borrowings (note 6(h))	\$ 390,000	10	350,000	8
2130	Current contract liabilities (note 6(p))	28,095	1	13,324	-
2150	Notes payable	633	-	480	-
2170	Accounts payable(note 7)	22,250	1	22,445	1
2200	Other payable (notes 6(d), (q) and 7)	19,356	1	25,084	1
2280	Current lease liabilities (notes 6(j) and 7)	346,037	9	340,867	8
2399	Other current liabilities	<u>1,649</u>	<u>-</u>	<u>681</u>	<u>-</u>
		<u>808,020</u>	<u>22</u>	<u>752,881</u>	<u>18</u>
Non-current liabilities:					
2540	Long-term borrowings (note 6(i))	50,000	1	-	-
2580	Non-current lease liabilities (notes 6(j) and 7)	2,380,546	64	2,726,583	63
2645	Guarantee deposits	<u>1,608</u>	<u>-</u>	<u>1,128</u>	<u>-</u>
		<u>2,432,154</u>	<u>65</u>	<u>2,727,711</u>	<u>63</u>
Total liabilities		<u>3,240,174</u>	<u>87</u>	<u>3,480,592</u>	<u>81</u>
Equity attributable to owners of parent (notes 6(n)):					
3100	Capital stock	1,097,283	30	1,097,283	25
3200	Capital surplus	604,393	16	604,393	14
3310	Legal reserve	8,943	-	8,943	-
3350	Accumulated deficit	<u>(1,220,131)</u>	<u>(33)</u>	<u>(857,650)</u>	<u>(20)</u>
Total equity		<u>490,488</u>	<u>13</u>	<u>852,969</u>	<u>19</u>
Total liabilities and equity		<u>\$ 3,730,662</u>	<u>100</u>	<u>4,333,561</u>	<u>100</u>

(English Translation of Financial Statements Originally Issued in Chinese)
GREEN WORLD HOTEL CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar , except earnings per share)

		<u>2021</u>		<u>2020</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenues (notes 6(p) and 7)	\$ 391,664	100	441,165	100
5000	Operating costs (notes 6(d), (e), (f), (I) and 7)	<u>583,703</u>	<u>149</u>	<u>676,657</u>	<u>153</u>
	Gross profit from operations	<u>(192,039)</u>	<u>(49)</u>	<u>(235,492)</u>	<u>(53)</u>
	Operating expenses (notes 6(d), (e), (f), (j), (l) and 7):				
6100	Selling expenses	53,049	14	66,243	15
6200	Administrative expenses	<u>39,209</u>	<u>10</u>	<u>48,762</u>	<u>11</u>
	Operating expenses	<u>92,258</u>	<u>24</u>	<u>115,005</u>	<u>26</u>
6500	Net other income (expenses) (note 6 (r))	<u>34,339</u>	<u>9</u>	<u>30,083</u>	<u>7</u>
	Operating income (expenses)	<u>(249,958)</u>	<u>(64)</u>	<u>(320,414)</u>	<u>(72)</u>
	Non-operating income and expenses (notes 6(d), (f), (s) and 7):				
7100	Total interest income	1,090	-	3,129	1
7020	Other gains and losses, net	(39,141)	(10)	(404,630)	(92)
7050	Finance costs	(69,497)	(18)	(80,437)	(18)
7070	Share of gain (loss) of subsidiaries accounted for using equity method, net	<u>33</u>	<u>-</u>	<u>(65)</u>	<u>-</u>
		<u>(107,515)</u>	<u>(28)</u>	<u>(482,003)</u>	<u>(109)</u>
	Loss before income tax	(357,473)	(92)	(802,417)	(181)
7950	Less: Income tax expenses (gains) (note 6(m))	<u>5,008</u>	<u>1</u>	<u>55,410</u>	<u>13</u>
	Loss	<u>(362,481)</u>	<u>(93)</u>	<u>(857,827)</u>	<u>(194)</u>
8300	Other comprehensive income, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Comprehensive income	<u>\$ (362,481)</u>	<u>(93)</u>	<u>(857,827)</u>	<u>(194)</u>
	Earnings per share (note 6(o))				
9750	Basic earnings (loss) per share (NT dollars)	<u>\$ (3.30)</u>		<u>(7.82)</u>	
9850	Diluted loss per share (NT dollars)	<u>\$ (3.30)</u>		<u>(7.82)</u>	

(English Translation of Financial Statements Originally Issued in Chinese)
GREEN WORLD HOTEL CO., LTD.

Statements of Changes in Equity
For the years ended December 31, 2021 and 2020
(expressed in thousands of New Taiwan Dollar)

	<u>Capital stock</u>	<u>Capital surplus</u>	<u>Legal reserve</u>	<u>Retained earnings</u>		<u>Total equity</u>
				<u>Unappropriated retained earnings (accumulated deficit)</u>	<u>Total retained earnings</u>	
Balance on January 1, 2020	\$ 1,097,283	604,393	8,923	197	9,120	1,710,796
Loss for the year ended December 31, 2020	-	-	-	(857,827)	(857,827)	(857,827)
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	-	-
Comprehensive income for the year ended December 31, 2020	-	-	-	(857,827)	(857,827)	(857,827)
Appropriation and distribution of retained earnings:						
Legal reserve appropriated	-	-	20	(20)	-	-
Balance on December 31, 2020	1,097,283	604,393	8,943	(857,650)	(848,707)	852,969
Loss for the year ended December 31, 2021	-	-	-	(362,481)	(362,481)	(362,481)
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	-	-
Comprehensive income for the year ended December 31, 2021	-	-	-	(362,481)	(362,481)	(362,481)
Balance on December 31, 2021	\$ 1,097,283	604,393	8,943	(1,220,131)	(1,211,188)	490,488

(English Translation of Financial Statements Originally Issued in Chinese)
GREEN WORLD HOTEL CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar)

	2021	2020
Cash flows from (used in) operating activities:		
Loss before tax	\$ (357,473)	(802,417)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	454,519	487,027
Amortization expense	18,834	19,735
Interest expense	69,497	80,437
Interest income	(1,090)	(3,129)
Share of (gain) loss of subsidiaries accounted for using equity method	(33)	65
Impairment loss on non-financial assets	40,639	440,553
gain on lease termination	(27)	(27,891)
Loss (gain) from disposal of property, plant and equipment	127	(1,862)
Loss from disposal of intangible assets	115	129
Rent concessions	(65,388)	(62,211)
Total adjustments to reconcile profit	517,193	932,853
Changes in operating assets and liabilities:		
Notes receivable	145	28,708
Accounts receivable	2,082	34,790
Other current assets	(2,996)	(1,009)
Other financial assets	18	141
Contract liabilities	14,771	2,737
Notes payable	153	(762)
Accounts payable	(195)	(26,767)
Other payable	(3,699)	(28,230)
Other current liabilities	968	(730)
Total changes in operating assets and liabilities	11,247	8,878
Cash inflow generated from operations	170,967	139,314
Interest received	1,090	3,129
Interest paid	(69,497)	(80,437)
Income taxes paid refunded	(19)	139
Net cash flows from operating activities	102,541	62,145

(English Translation of Financial Statements Originally Issued in Chinese)

GREEN WORLD HOTEL CO., LTD.

Statements of Cash Flows (CONT'D)

For the years ended December 31, 2021 and 2020

(expressed in thousands of New Taiwan Dollar)

	2021	2020
Cash flows from (used in) investing activities:		
Proceeds from disposal of subsidiaries	4,757	-
Acquisition of property, <u>plant</u> and equipment	(4,444)	(19,370)
Proceeds from disposal of property plant, and equipment	-	2,857
Acquisition of intangible assets	(1,611)	(4,419)
Other financial assets	<u>2,827</u>	<u>263,333</u>
Net cash used in investing activities	<u>1,529</u>	<u>242,401</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	40,000	(40,000)
Proceeds from long-term debt	50,000	-
Increase (decrease) in <u>guarantee</u> deposits received	480	(100)
Payment of lease liabilities	<u>(274,670)</u>	<u>(295,937)</u>
Net cash used in financing activities	<u>(184,190)</u>	<u>(336,037)</u>
Net decrease in cash and cash equivalents	(80,120)	(31,491)
Cash and cash equivalents at beginning of period	<u>301,388</u>	<u>332,879</u>
Cash and cash equivalents at end of period	<u>\$ 221,268</u>	<u>301,388</u>

Green World Hotels Co., Ltd.**Deficit Compensation Table****2021**

Unit: NTD

Item	Amount	Remarks
Deficit to be offset at the beginning of the period	(857,649,773)	
Add: Net income after tax of the year	(362,480,748)	
Deficit to be offset at the end of the period	(1,220,130,521)	

Chairman: Hsieh Hsien-Chih General Manager: Hsieh Hsien-Chih CAO: Peng Fei-xiu

**Cross Reference of Amendments to the
“Corporate Social Responsibility Best Practice Principles”
(renamed the “Sustainable Development Best Practice Principles”)
Of the Original and the Amended Articles**

Amendments	Current Version	Description
<p>Article 1</p> <p>The Company in order to fulfill corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the Company promulgated <u>corporate social responsibility</u> principles in accordance with the <u>Corporate Social Responsibility Best Practice Principles</u> for TWSE/ GTSM Listed Companies to manage the risks and impact of economic, environmental and social.</p>	<p>Article 1</p> <p>The Company in order to fulfill corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the Company promulgated <u>sustainable development</u> principles in accordance with the <u>Sustainable Development Best Practice Principles</u> for TWSE/ GTSM Listed Companies to manage the risks and impact of economic, environmental and social.</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>
<p>Article 2</p> <p>These Principles apply to overall business activities of the Company and our business groups.</p> <p>The Company actively fulfill our <u>sustainable development</u> in the course of business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as a responsible corporate citizen, and to enhance competitive edges built on <u>sustainable development</u>.</p>	<p>Article 2</p> <p>These Principles apply to overall business activities of the Company and our business groups.</p> <p>The Company actively fulfill our <u>corporate social responsibility</u> in the course of business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as a responsible corporate citizen, and to enhance competitive edges built on <u>corporate social responsibility</u>.</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>

Amendments	Current Version	Description
<p>Article 3</p> <p>In <u>promoting sustainable development</u> initiatives, the Company shall, in the corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p> <p>This Company shall, based on the materiality principle, assess the risk of the environmental, social, and governance issues relating to business operations and establish relevant risk management policies or strategies.</p>	<p>Article 3</p> <p>In fulfilling <u>corporate social responsibility</u> initiatives, the Company shall, in the corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p> <p>This Company shall, based on the materiality principle, assess the risk of the environmental, social, and governance issues relating to business operations and establish relevant risk management policies or strategies.</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>
<p>Article 4</p> <p>To implement <u>sustainable development</u> initiatives, the Company should follow the principles below:</p> <p>I. Exercise corporate governance.</p> <p>II. Foster a sustainable environment.</p> <p>III. Preserve public welfare.</p> <p>IV. Enhance disclosure of <u>sustainable development</u> information.</p>	<p>Article 4</p> <p>To implement <u>corporate social responsibility</u> initiatives, the Company should follow the principles below:</p> <p>I. Exercise corporate governance.</p> <p>II. Foster a sustainable environment.</p> <p>III. Preserve public welfare.</p> <p>IV. Enhance disclosure of <u>corporate social responsibility</u> information.</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>
<p>Article 4-1</p> <p>This Company shall take into consideration the correlation between the development of domestic and international <u>sustainable development</u> principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in</p>	<p>Article 4-1</p> <p>This Company shall take into consideration the correlation between the development of domestic and international <u>corporate social responsibility</u> principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX</p>

Amendments	Current Version	Description
<p>establishing their policies, systems or relevant management guidelines and concrete promotion plans for <u>sustainable development</u> programs, which shall be approved by the board of directors and then reported to the meeting of shareholders.</p> <p>When a shareholder proposes a motion involving <u>sustainable development</u>, the company's board of directors is advised to review and consider including it in the meeting of shareholders agenda.</p>	<p>on stakeholders, in establishing their policies, systems or relevant management guidelines and concrete promotion plans for <u>corporate social responsibility</u> programs, which shall be approved by the board of directors and then reported to the meeting of shareholders.</p> <p>When a shareholder proposes a motion involving <u>corporate social responsibility</u>, the company's board of directors is advised to review and consider including it in the meeting of shareholders agenda.</p>	<p>dated December 13, 2021.</p>
<p>Article 5</p> <p>The Company shall exercise the due care of a good administrator to urge the company to perform its <u>sustainable development</u> initiatives, examine the results of the implementation thereof from time to time and continually make adjustments to ensure the thorough implementation of its <u>sustainable development</u> policies.</p> <p>The board of directors of the Company should give full consideration to the interests of stakeholders, including the following matters, in the company's performance of its <u>sustainable development</u> initiatives:</p> <p>I. Identifying the company's <u>sustainable development</u> mission or vision, and declaring its <u>sustainable development</u> policy, systems or relevant management guidelines.</p>	<p>Article 5</p> <p>The Company shall exercise the due care of a good administrator to urge the company to perform its <u>corporate social responsibility</u> initiatives, examine the results of the implementation thereof from time to time and continually make adjustments to ensure the thorough implementation of its <u>corporate social responsibility</u> policies.</p> <p>The board of directors of the Company should give full consideration to the interests of stakeholders, including the following matters, in the company's performance of its <u>corporate social responsibility</u> initiatives:</p> <p>I. Identifying the company's <u>corporate social responsibility</u> mission or vision, and declaring its <u>corporate social responsibility</u> policy, systems or relevant management guidelines.</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>

Amendments	Current Version	Description
<p>II. Making <u>sustainable development</u> the guiding principle of the company's operations and development and ratifying concrete promotional plans for <u>sustainable development</u> initiatives; and</p> <p>III. Enhancing the timeliness and accuracy of the disclosure of <u>sustainable development</u> information.</p> <p>The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear. Article 5-1 This Company should, on a regular basis, organize education and training on the implementation of <u>sustainable development</u> initiatives, including promotion of the matters specified in paragraph 2 of the preceding article.</p>	<p>II. Making <u>corporate social responsibility</u> the guiding principle of the company's operations and development and ratifying concrete promotional plans for <u>corporate social responsibility</u> initiatives; and</p> <p>III. Enhancing the timeliness and accuracy of the disclosure of <u>corporate social responsibility</u> information.</p> <p>The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear. Article 5-1 This Company should, on a regular basis, organize education and training on the implementation of <u>corporate social responsibility</u> initiatives, including promotion of the matters specified in paragraph 2 of the preceding article.</p>	
<p>Article 5-1</p> <p>The Company should, on a regular basis, organize education and training on the <u>promotion of sustainable development</u> initiatives, including promotion of the matters specified in paragraph 2 of the preceding article.</p>	<p>Article 5-1</p> <p>The Company should, on a regular basis, organize education and training on the <u>implementation of corporate social responsibility</u> initiatives, including promotion of the matters specified in paragraph 2 of the preceding article.</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>

Amendments	Current Version	Description
<p>Article 6</p> <p>For the purpose of managing <u>sustainable development</u> initiatives, the Company <u>shall establish a governance structure to promote sustainable development</u>, and is advised to establish an exclusively (or <u>concurrently</u>) dedicated unit to be in charge of proposing and enforcing the <u>sustainable development</u> policies, systems or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis. The Company should adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with <u>sustainable development</u> policies, and that a clear and effective incentive and discipline system be established.</p>	<p>Article 6</p> <p>For the purpose of managing <u>corporate social responsibility</u> initiatives, the Company is advised to establish an exclusively dedicated unit to be in charge of proposing and enforcing the <u>corporate social responsibility</u> policies, systems or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis. The Company should adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with <u>corporate social responsibility</u> policies, and that a clear and effective incentive and discipline system be established.</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>
<p>Article 7</p> <p>The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them and adequately respond to the important <u>sustainable development</u> issues which</p>	<p>Article 7</p> <p>The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them and adequately respond to the important <u>corporate social responsibility</u> issues</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>

Amendments	Current Version	Description
they are concerned about.	which they are concerned about.	
<p>Article 11</p> <p>The Company is advised to endeavor to <u>consume energy</u> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.</p>	<p>Article 11</p> <p>The Company is advised to endeavor to <u>utilize all resources</u> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>
<p>Article 15</p> <p>The Company should assess the potential risks and opportunities at present and in the future of climate change and take relevant countermeasures.</p> <p>This Company should adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <p>I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.</p> <p>II. Indirect greenhouse gas emissions: emissions resulting from the generation of externally <u>imported</u> electricity, heating, or steam.</p> <p>III. <u>Other indirect emissions: Emissions generated by corporate activities that are not indirect emissions from energy</u></p>	<p>Article 15</p> <p>The Company should assess the potential risks and opportunities at present and in the future of climate change and take <u>climate-related</u> countermeasures.</p> <p>This Company should adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <p>I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.</p> <p>II. Indirect greenhouse gas emissions: emissions resulting from the generation of externally <u>purchased or acquired</u> electricity, heating, or steam.</p> <p>Paragraph 3 (omitted).</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>

Amendments	Current Version	Description
<p><u>use, but come from emission sources owned or controlled by other companies.</u></p> <p>Paragraph 3 (omitted).</p>		

Corrected chapter name	Current chapter name	Description
<p>Chapter 5</p> <p><u>Enhancing Disclosure of Sustainable Development information</u></p>	<p>Chapter 5</p> <p><u>Enhancing Disclosure of Corporate Social Responsibility Information</u></p>	<p>Amendments chapter name</p>

Amendments	Current Version	Description
<p>Article 26</p> <p>The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their <u>sustainable development</u> initiatives to improve information transparency. Relevant information relating to <u>sustainable development</u> which the Company shall disclose includes:</p> <p>I. The policy, systems or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u> initiatives, as resolved by the board of directors.</p> <p>II. The risks and the impacts on the corporate operations and financial condition arising from exercising corporate governance, fostering a</p>	<p>Article 26</p> <p>The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their <u>corporate social responsibility</u> initiatives to improve information transparency. Relevant information relating to <u>corporate social responsibility</u> which the Company shall disclose includes:</p> <p>I. The policy, systems or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility</u> initiatives, as resolved by the board of directors.</p> <p>II. The risks and the impacts on the corporate operations and financial condition arising from exercising</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>

Amendments	Current Version	Description
<p>sustainable environment and preserving social public welfare.</p> <p>III. Goals and measures established for realizing the <u>sustainable development</u> initiatives, and performance in implementation.</p> <p>IV. Major stakeholders and their concerns.</p> <p>V. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.</p> <p>VI. Other information relating to <u>sustainable development</u> initiatives.</p>	<p>corporate governance, fostering a sustainable environment and preserving social public welfare.</p> <p>III. Goals and measures established for realizing the <u>corporate social responsibility</u> initiatives, and performance in implementation.</p> <p>IV. Major stakeholders and their concerns.</p> <p>V. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.</p> <p>VI. Other information relating to <u>corporate social responsibility</u> initiatives.</p>	
<p>Article 27</p> <p>When producing <u>sustainable development</u> reports, the Company shall adopt internationally widely recognized standards or guidelines to disclose the status of their implementation of the corporate social responsibility policy. This Company should acquire third-party assurance or verification for reports to enhance the reliability of the information in the reports. Reports should include:</p> <p>I. The policy, system or relevant management approaches and specific promotion plans for implementing the <u>sustainable development</u> initiatives.</p> <p>II. Major stakeholders and their concerns.</p> <p>III. Results and a review of the exercising of corporate</p>	<p>Article 27</p> <p>When producing <u>corporate social responsibility</u> reports, the Company shall adopt internationally widely recognized standards or guidelines to disclose the status of their implementation of the corporate social responsibility policy. This Company should acquire third-party assurance or verification for reports to enhance the reliability of the information in the reports. Reports should include:</p> <p>I. The policy, system or relevant management approaches and specific promotion plans for implementing the <u>corporate social responsibility</u> initiatives.</p> <p>II. Major stakeholders and their concerns.</p> <p>III. Results and a review of the exercising of corporate</p>	<p>Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.</p>

Amendments	Current Version	Description
governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development. IV.Future improvements and goals.	governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development. IV. Future improvements and goals.	
Article 28 The Company shall at all times monitor the development of domestic and foreign <u>sustainable development</u> standards and the change of business environment to examine and improve their established <u>sustainable development</u> framework and to obtain better results from the implementation of the <u>sustainable development</u> policy.	Article 28 The Company shall at all times monitor the development of domestic and foreign <u>corporate social responsibility</u> standards and the change of business environment to examine and improve their established <u>corporate social responsibility</u> framework and to obtain better results from the implementation of the <u>corporate social responsibility</u> policy.	Amendment made according to the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” dated Dec. 7, 2021 and Letter Cheng-Guai-Jian-Zi No. 11000715831 of TAIPEX dated December 13, 2021.
Established on March 25, 2015. 1st amendment made on November 7, 2019. 2nd amendment made on March 24, 2020. <u>3rd amendment made on March 23, 2022.</u>	Established on March 25, 2015. 1st amendment made on November 7, 2019. 2nd amendment made on March 24, 2020.	Revision of the amendment date.

Green World Hotels Co., Ltd.
Comparison table of amendments to the Articles of Incorporation

Amendments	Current regulations	Description
<p>Article 12</p> <p>The meeting of shareholders includes the general meeting of shareholders and extraordinary meetings of shareholders.</p> <p>1. The general meeting of shareholders will be convened once a year. It is convened by the board of directors six months after the end of each fiscal year, in accordance with the laws.</p> <p>2. If necessary, the extraordinary meeting of shareholders will be convened in accordance with the laws.</p> <p><u>The convening of shareholders meetings shall be subject to a board of directors resolution. The Company may convene shareholders meetings in physical, hybrid, or virtual-only form pursuant to the provisions set forth in Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent authority.</u></p>	<p>Article 12</p> <p>The meeting of shareholders includes the general meeting of shareholders and extraordinary meetings of shareholders.</p> <p>1. The general meeting of shareholders will be convened once a year. It is convened by the board of directors six months after the end of each fiscal year, in accordance with the laws.</p> <p>2. If necessary, the extraordinary meeting of shareholders will be convened in accordance with the laws.</p>	<p>This Article is amended in accordance with the Company Act.</p>

Corrected chapter name	Current chapter name	Description
<p>Chapter 4</p> <p>Directors and <u>Audit committee</u></p>	<p>Chapter 4</p> <p>Directors and <u>Supervisors</u></p>	<p>The Company establish an audit committee in lieu of a supervisor</p>

Amendments	Current regulations	Description
<p>Article 15</p> <p>The Company has <u>5-9</u> director, and the term of office is three years. Directors are elected or re-elected at the shareholders from shareholders who have behavioral competence. The shareholders meeting can elect directors from the list of candidates for directors according to the nomination system for candidates in Article 192-1 of the Company Act.</p> <p>On the basis of Article 14-2 of the Securities and Exchange Act and the regulations of Article 183 of the Securities and Exchange Act, the Company shall have no less than two independent directors in the list of directors specified in the preceding paragraph, and the number of independent directors shall not be less than <u>one-third</u> of the number of directors.</p> <p>Paragraphs 3 to 4 (omitted).</p> <p>The Company may purchase liability insurance for the Company's directors.</p>	<p>Article 15</p> <p>The Company has <u>5-7</u> directors, <u>and 2-3 supervisors</u>, and the term of office is three years. Directors <u>and supervisors</u> are elected or re-elected at the shareholders from shareholders who have behavioral competence. The shareholders meeting can elect directors from the list of candidates for directors according to the nomination system for candidates in Article 192-1 of the Company Act.</p> <p>On the basis of Article 14-2 of the Securities and Exchange Act and the regulations of Article 183 of the Securities and Exchange Act, the Company shall have no less than two independent directors in the list of directors specified in the preceding paragraph, and the number of independent directors shall not be less than <u>one-fifth</u> of the number of directors.</p> <p>Paragraphs 3 to 4 (omitted).</p> <p>The Company may purchase liability insurance for the Company's directors <u>and supervisors</u>.</p>	<ol style="list-style-type: none"> 1. Amendment of the number of directors. 2. The Company establish an audit committee in lieu of a supervisor.
<p>Article 19</p> <p>Remunerations of all directors shall be discussed and determined at the board of directors meeting, and regardless of the profit or loss of the Company, they shall be paid based on the remuneration level in the industry.</p>	<p>Article 19</p> <p>Remunerations of all directors <u>and supervisors</u> shall be discussed and determined at the board of directors meeting, and regardless of the profit or loss of the Company, they shall be paid based on the remuneration level in the industry.</p>	<p>The Company establish an audit committee in lieu of a supervisor.</p>

Amendments	Current regulations	Description
<p>Article 21</p> <p>At the end of each fiscal year, the board of directors shall prepare the following:</p> <p>(I) Business report.</p> <p>(II) Financial statements.</p> <p>(III) Proposal for distribution of profits or compensation of losses.</p> <p>The various reports and financial statements shall be submitted to the <u>audit committee</u> for review 30 days before the general meeting of shareholders, and submitted to the shareholders meeting for ratification.</p> <p>(Omitted below)</p>	<p>Article 21</p> <p>At the end of each fiscal year, the board of directors shall prepare the following:</p> <p>(I) Business report.</p> <p>(II) Financial statements.</p> <p>(III) Proposal for distribution of profits or compensation of losses.</p> <p>The various reports and financial statements shall be submitted to the <u>supervisor</u> for review 30 days before the general meeting of shareholders, and submitted to the shareholders meeting for ratification.</p> <p>(Omitted below)</p>	<p>The Company establish an audit committee in lieu of a supervisor.</p>
<p>Article 24</p> <p>The directors and managerial officers of the Company shall not disclose or reveal confidential documents of the Company or the confidential information regarding technology, market or products that are involved in the business operations of the Company to others.</p>	<p>Article 24</p> <p>The directors, <u>supervisors</u> and managerial officers of the Company shall not disclose or reveal confidential documents of the Company or the confidential information regarding technology, market or products that are involved in the business operations of the Company to others.</p>	<p>The Company establish an audit committee in lieu of a supervisor.</p>
<p>Article 26</p> <p>This regulation was stipulated on July 19, 1994.</p> <p>(Omitted)</p> <p><u>The thirty amendment was made on June 23, 2022.</u></p>	<p>Article 26</p> <p>This regulation was stipulated on July 19, 1994.</p> <p>(Omitted below)</p>	<p>Revision of the amendment date.</p>

Green World Hotels Co., Ltd.
Comparison table of amendments to the “Procedures for acquisition or disposition of assets”

Amendments	Current regulations	Description
<p>Article 2 Definition</p> <p>Paragraphs I to II (omitted).</p> <p>III. The derivatives in these Procedures refer to <u>forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.</u> The term forward contract does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p> <p>Omitted below.</p>	<p>Article 2 Definition</p> <p>Paragraphs I to II (omitted).</p> <p>III. The derivatives in these Procedures refer to <u>forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from assets, interest rates, exchange rates, indices or other profitable products, and the composite contract with a combination of the above-mentioned products.</u> The term forward contract does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p> <p>Omitted below.</p>	<p>This article is amended according to the “Procedures for acquisition or disposition of assets by Public Companies.”</p>
<p>Article 3 Exclusion of related parties</p> <p>The professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p>	<p>Article 3 Exclusion of related parties</p> <p>The professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p>	<p>It is amended in accordance with the regulations published by the Financial Supervisory Commission on January 28, 2022, with Jin-Guan-Zheng-Fa-Zi No. 1100380465.</p>

Amendments	Current regulations	Description
<p>Paragraphs I to II (omitted).</p> <p>III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be a related party or related parties of each other, or a related party of any party.</p> <p>When the personnel referred to in the preceding paragraph issuing an appraisal report or opinion, the personnel shall comply with <u>the self-regulatory rules of their respective allied associations and the following:</u></p> <p>I. They shall prudently assess their own professional capabilities, practical experience, and independence prior to accepting a case.</p> <p>II. When <u>conducting</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion; and the related working procedures, information collected, and conclusion shall be fully and accurately specified in the working papers.</p> <p>III. They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of information, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the</p>	<p>Paragraphs I to II (omitted).</p> <p>III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be a related party or related parties of each other, or a related party of any party.</p> <p>When the personnel referred to in the preceding paragraph issuing an appraisal report or opinion, the personnel shall comply with the following:</p> <p>I. They shall prudently assess their own professional capabilities, practical experience, and independence prior to accepting a case.</p> <p>II. When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion; and the related working procedures, information collected, and conclusion shall be fully and accurately specified in the working papers.</p> <p>III. They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy,</u> and reasonableness of the sources of information, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>reasonable</u></p>	

Amendments	Current regulations	Description
<p>information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.</p>	<p><u>and accurate</u>, and that they have complied with applicable laws and regulations.</p>	
<p>Article 7 The assessment report for acquired or disposed of real estate, equipment or right-of-use assets</p> <p>Information required to be publicly announced and reported acquiring or disposing of real estate, equipment, or right-of-use assets where the transaction amount reaches 20% of the Company's paid-in capital or 300 million NTD or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets held for business usage, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following regulations:</p> <p>Paragraphs I to II(omitted).</p> <p>III. Unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal for any one of the following circumstances applies with respect to the professional appraiser's appraisal results, <u>and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price</u>:</p> <p>(I) The difference between the appraisal results and the</p>	<p>Article 7 The assessment report for acquired or disposed of real estate, equipment or right-of-use assets</p> <p>Information required to be publicly announced and reported acquiring or disposing of real estate, equipment, or right-of-use assets where the transaction amount reaches 20% of the Company's paid-in capital or 300 million NTD or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets held for business usage, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following regulations:</p> <p>Paragraphs I to II(omitted).</p> <p>III. Unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal for any one of the following circumstances applies with respect to the professional appraiser's appraisal results, <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (hereinafter referred to as the Accounting Research and Development Foundation) and</u></p>	<p>It is amended in accordance with the regulations published by the Financial Supervisory Commission on January 28, 2022, with Jin-Guan-Zheng-Fa-Zi No. 1100380465.</p>

Amendments	Current regulations	Description
<p>transaction amount is over 20% of the transaction amount.</p> <p>(II) The difference between the appraisal results of two or more professional appraisers is over 10% of the transaction amount.</p> <p>IV. The time shall not be more than 3 months between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	<p><u>render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</u></p> <p>(I) The difference between the appraisal results and the transaction amount is over 20% of the transaction amount.</p> <p>(II) The difference between the appraisal results of two or more professional appraisers is over 10% of the transaction amount.</p> <p>IV. The time shall not be more than 3 months between the date of the appraisal report issued by a professional appraiser and the contract execution date; <u>however, if</u> the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	
<p>Article 8 Transaction with a related party</p> <p>Paragraphs I (omitted).</p> <p>II. When acquiring or disposing of real estate or right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT 300 million dollars or more, except in trading of <u>domestic</u> government bonds or bonds with the repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the following</p>	<p>Article 8 Transaction with a related party</p> <p>Paragraphs I (omitted).</p> <p>II. When acquiring or disposing of real estate or right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT 300 million dollars or more, except in trading of domestic government bonds or bonds with the repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the following matters shall be approved by <u>the</u></p>	<p>1. It is amended in accordance with the regulations published by the Financial Supervisory Commission on January 28, 2022, with Jin-Guan-Zheng-Fa-Zi No. 1100380465.</p> <p>2. The Company establish an audit committee in lieu of a supervisor.</p>

Amendments	Current regulations	Description
<p>matters shall be approved by <u>an audit committee and the board of directors</u> before the Company proceed to enter into a transaction contract or make a payment until:</p> <p>(I) to (VII) (omitted).</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made according to Article 14, paragraph 2, and the term within the preceding year as used herein refers to the year preceding the date of occurrence of the current transaction, and items that have been approved by <u>an audit committee and the board of directors</u> need not be counted toward the transaction amount.</p> <p>When acquiring or disposing of machinery equipment held for business use between the Company and its parent or subsidiaries, the Company's board of directors may be based on Article 6 to delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting.</p> <p>After the independent directors of the Company has been created, when the transaction for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into consideration each independent director's opinions. If an independent directors object to or express reservations about any</p>	<p><u>board of directors and recognized by the supervisors</u> before the Company proceed to enter into a transaction contract or make a payment until:</p> <p>(I) to (VII) (omitted).</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made according to Article 14, paragraph 2, and the term within the preceding year as used herein refers to the year preceding the date of occurrence of the current transaction, and items that have been approved by the board of directors and <u>recognized by the supervisors</u> need not be counted toward the transaction amount.</p> <p>When acquiring or disposing of machinery equipment held for business use between the Company and its parent or subsidiaries, the Company's board of directors may be based on Article 6 to delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting.</p> <p>After the independent directors of the Company has been created, when the transaction for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into consideration each independent director's opinions. If an independent directors object to or express reservations about any matter, it shall be recorded in the meeting minutes of the board of directors meeting.</p>	

Amendments	Current regulations	Description
<p>matter, it shall be recorded in the meeting minutes of the board of directors meeting.</p> <p>Paragraphs III to VI. (Omitted)</p> <p>VII. When acquiring real estate right-of-use assets from a related party and the results of appraisals conducted according to paragraph 3 and 6 of this article are uniformly lower than the transaction price, the following shall be conducted:</p> <p>(I) A special reserve shall be set aside in <u>accordance with</u> Article 41, paragraph 1 of the Act against the difference between the real <u>property</u> transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where <u>a public company</u> uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph 1 of the Act shall be set aside pro rata in a proportion consistent with the share of <u>public</u> company's equity stake in the other company.</p> <p>(II) to (IV) (Omitted)</p> <p>(V) <u>The company</u> obtains real estate or right-of-use assets from a related party, it shall be conducted according to the (I) to (IV) if there is other evidence indicating that the acquisition was an unconventional transaction.</p>	<p>Paragraphs III to VI. (Omitted)</p> <p>VII. When acquiring real estate right-of-use assets from a related party and the results of appraisals conducted according to paragraph 3 and 6 of this article are uniformly lower than the transaction price, the following shall be conducted:</p> <p>(I) A special reserve shall be set aside <u>according to</u> Article 41, paragraph 1 of the <u>Securities and Exchange Act</u> against the difference between the real <u>estate right-of-use assets</u> transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where <u>the Company</u> uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph 1 of the <u>Securities and Exchange Act</u> shall be set aside pro rata in a proportion consistent with the share of <u>the listed</u> company's equity stake in the other company. <u>The company</u> that has set aside a special reserve under the <u>preceding paragraph</u> may not utilize the <u>special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated,</u></p>	

Amendments	Current regulations	Description
<p>VIII. <u>If the Company or its subsidiary that is not a domestic public offering company conducts a transaction outlined in paragraph 2, and the transaction amount reaches 10% or more of the Company's total assets,</u></p> <p>IX. <u>The Company shall submit the materials listed in paragraph 2 to the shareholders meeting for approval before it may sign the transaction contract and make payments. However, transactions between the Company and its subsidiaries or between its subsidiaries shall not be subject to this provision.</u></p>	<p><u>or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.</u></p> <p>(II) to (IV) (Omitted)</p> <p>(V) <u>If a listed company obtains real estate or right-of-use assets from a related party, it shall be conducted according to the (I) to (IV) if there is other evidence indicating that the acquisition was an unconventional transaction.</u></p> <p>VIII to IX Newly added.</p>	
<p>Article 9 CPA opinion on acquisition or disposal of securities</p> <p>The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial</p>	<p>Article 9 CPA opinion on acquisition or disposal of securities</p> <p>The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published</u></p>	<p>It is amended in accordance with the regulations published by the Financial Supervisory Commission on January 28, 2022, with Jin-Guan-Zheng-Fa-Zi No. 1100380465.</p>

Amendments	Current regulations	Description
Supervisory Commission.	<u>by the ARDF.</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).	
<p>Article 10 Acquire or dispose of intangible assets or right-of-use assets or memberships</p> <p>When acquiring or disposing intangible assets or right-of-use assets or memberships and the transaction amount reaches 20% or more of paid-in capital or NT 300 million dollars or more, other than the transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to report an opinion on the reasonableness of the transaction price.</p>	<p>Article 10 Acquire or dispose of intangible assets or right-of-use assets or memberships</p> <p>When acquiring or disposing intangible assets or right-of-use assets or memberships and the transaction amount reaches 20% or more of paid-in capital or NT 300 million dollars or more, other than the transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to report an opinion on the reasonableness of the transaction price. <u>The certified public accountant shall comply with the regulations of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation.</u></p>	It is amended in accordance with the regulations published by the Financial Supervisory Commission on January 28, 2022, with Jin-Guan-Zheng-Fa-Zi No. 1100380465.
<p>Article 12 Engage in derivatives transactions</p> <p>I. <u>Trading principles and strategies:</u></p> <p>(I) <u>the types of derivatives that may be traded:</u></p> <p><u>The companies engaging in derivatives trading is forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit</u></p>	<p>Article 12 Engage in derivatives transactions</p> <p>I. <u>The transaction principles and guidelines: conducted according to the "Operating procedures for engaging in derivatives transactions" of the Company.</u></p> <p>II. Risk management measures:</p> <p>(I) <u>The risk management scope shall be conducted according to the "Operating procedures for engaging in</u></p>	<p>1. It is amended in accordance with the regulations published by the Financial Supervisory Commission on January 28, 2022, with Jin-Guan-Zheng-Fa-Zi No. 1100380465.</p> <p>2. The Company establish an audit committee (independent director) in lieu of a supervisor.</p>

Amendments	Current regulations	Description
<p><u>index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.</u></p> <p><u>(II) Operating or hedging strategies:</u> <u>Capital shall be effectively allocated for hedging purposes based on the principle of risk diversification to reduce overall risk levels and minimize risks caused by business operations.</u></p> <p><u>(III) Segregation of duties:</u> <u>The board of directors shall authorize the President to take responsibility for forming a trading desk, while account confirmation and management shall be handled by the Finance Department in a unified manner.</u></p> <p><u>(IV) Essentials of performance evaluation:</u></p> <p><u>1. The profits/losses generated by the difference between exchange rate costs and revenues derived from derivative transactions on the books shall represent the basis for performance evaluations.</u></p> <p><u>2. With a view to gaining a firm grasp and fully express assessment risks, profits/losses shall be</u></p>	<p><u>derivatives transactions” of the Company.</u></p> <p><u>(II) The personnel who are engaged in derivatives transactions may not serve concurrently in other operations such as confirmation and settlement.</u></p> <p><u>(III) Risk measurement, monitoring, and control personnel shall be assigned to a different department that the personnel in the operations of confirmation and settlement, and shall report to the board of directors or senior managements without having the responsibility for transactions or position decision-making.</u></p> <p><u>(IV) Derivatives transaction positions held shall be evaluated at least once per week. However, the hedge transaction positions required by business shall be evaluated at least twice per month. The evaluation reports shall be submitted to the senior management personnel authorized by the board of directors.</u></p> <p><u>(V) Other important risk management measures.</u></p> <p><u>III. When engaging in derivatives transaction, its board of directors shall faithfully supervise and</u></p>	

Amendments	Current regulations	Description
<p><u>assessed based on monthly balances.</u></p> <p><u>3. The Finance Department shall provide valuations of traded products and market trend analyses to senior executives as a reference for the decision-making process on a monthly basis.</u></p> <p><u>(V) Total amount of derivatives contracts that may be traded:</u></p> <p><u>1. For non-transaction purposes (avoidance of risks associated with held assets or liabilities)</u> <u>The total value of held assets or liabilities shall not be exceeded (amounts in excess of this total value shall be classified as trading for transaction purposes).</u></p> <p><u>2. For transaction purposes:</u> <u>Transaction contract amounts are assessed and adjusted on an annual basis. A cap of US\$ 3 million applies to authorized transaction contract amounts. This restriction shall not apply if special circumstances exist subject to approval by the board of directors.</u></p> <p><u>(VI) the maximum loss limit on</u></p>	<p><u>manage such transaction according to the following principles:</u></p> <p><u>(I) Designate senior managerial officers to pay attention to monitoring and controlling derivatives transaction risk.</u></p> <p><u>(II) Periodically evaluate whether derivatives transaction performance is consistent with the stipulated operational strategy and whether the risk undertaken is within the Company's scope of tolerance.</u></p> <p><u>(III) Penalties for personnel violating these operating procedures for engaging in derivatives transactions</u></p> <p><u>IV. The senior managerial officers authorized by the board of directors shall manage derivatives transaction according to the following principles:</u></p> <p><u>(I) Evaluate the risk management measures currently employed are appropriate and are faithfully conducted on a regular basis, according to these operating procedures and the procedures for engaging in</u></p>	

Amendments	Current regulations	Description
<p><u>total trading and for individual contracts:</u> <u>The loss limit for the total contract volume and individual contracts is US\$ 3 million and 500 thousand, respectively. Loss limits for non-transaction purpose contracts shall be determined by senior executives authorized by the board of directors.</u></p> <p>II. <u>Risk management measures:</u></p> <p>(I) <u>Credit risk management:</u> <u>Transaction counterparties shall be limited to banks that have dealings with the Company and are capable of providing professional information</u></p> <p>(II) <u>Market risk management:</u> <u>The main focus will be on open foreign exchange market information provided by banks.</u></p> <p>(III) <u>Liquidity risk management:</u> <u>Liquidity shall be the main consideration for the selection of financial products. Financial institutions entrusted with transactions shall possess abundant information and be capable of carrying out transactions in any market at any time.</u></p> <p>(IV) <u>Cash flow risk management:</u> <u>Financial units shall pay constant attention to cash flow conditions to guarantee the availability of sufficient cash on settlement dates.</u></p> <p>(V) <u>Operational risk management:</u></p>	<p><u>derivatives transaction stipulated by the Company.</u></p> <p>(II) <u>In the course of supervising transaction and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the board of directors for any irregular circumstances found; and independent directors shall be present at the meeting and express an opinion.</u></p> <p>V. <u>The Company shall report to the most recent meeting of the board of directors after it authorizes the relevant personnel to conduct the derivative transaction.</u></p> <p>VI. <u>The Company engages in derivatives transaction shall establish a log book in which details of the types and amounts of derivatives transaction engaged in, board of directors approval dates, and the matters required to be carefully evaluated under paragraph 2, subparagraph 4 and paragraph 3, subparagraph 2, as well as paragraph 4, subparagraph 1 of the this Article and it shall be recorded in detail in the log book.</u></p> <p>VII. <u>Internal audit system: The Company's internal audit personnel shall periodically evaluate the suitability of internal controls on derivatives and conduct a monthly audit of</u></p>	

Amendments	Current regulations	Description
<p>(1) <u>Strict compliance with authorized limits and operating procedures shall be ensure to avoid operational risks.</u></p> <p>(2) <u>Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.</u></p> <p>(3) <u>Risk measurement, monitoring, and control personnel shall be assigned to a different department that the personnel in the preceding subparagraph and shall report to the board of directors or senior management personnel with no responsibility for trading or position decision-making.</u></p> <p>(VI) <u>Legal risks management:</u> <u>Official signing of documents with banks and brokers shall be subject to prior review by sales and dedicated personnel.</u></p> <p>III. <u>Internal audit system: The Company's internal audit personnel shall periodically evaluate the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives transaction by the trading department adheres to the procedures for engaging in derivatives transaction and prepare an audit report. independent directors shall be notified in writing for any major violation found.</u></p> <p>IV. <u>Regular evaluation methods and the handling of irregular circumstances.:</u> <u>Derivatives trading positions held shall be evaluated at least once per week; however,</u></p>	<p>how faithfully derivatives transaction by the trading department adheres to the procedures for engaging in derivatives transaction and prepare an audit report. And all supervisors <u>and independent directors</u> shall be notified in writing for any major violation found.</p>	

Amendments	Current regulations	Description
<p><u>positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors.</u></p> <p><u>Where abnormalities are detected in assessment reports, the board of directors shall be notified immediately and corresponding measures shall be adopted.</u></p> <p>V. <u>Where the company engaging in derivatives trading, its board of directors shall faithfully supervise and manage such trading in accordance with the following principles:</u></p> <p>(I) <u>Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.</u></p> <p>(II) <u>Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the company's permitted scope of tolerance.</u></p> <p>(III) <u>Penalties for personnel violating these Regulations or the procedures for the acquisition or disposal of assets.</u></p> <p>(IV) <u>Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Regulations and the</u></p>		

Amendments	Current regulations	Description
<p><u>procedures for engaging in derivatives trading formulated by the company.</u></p> <p>(V) <u>When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the board of directors; where a company has independent directors, an independent director shall be present at the meeting and express an opinion.</u></p> <p>(VI) <u>The company shall report to the soonest meeting of the board of directors after it authorizes the relevant personnel to handle derivatives trading in accordance with its Procedures for Engaging in Derivatives Trading.</u></p> <p>(VII) <u>A public company engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, board of directors approval dates, and the matters required to be carefully evaluated under subparagraph 4 of Article 20 and subparagraph 2 of paragraph 1, and subparagraph 1 of paragraph 2, of the preceding article shall be recorded in detail in the log book.</u></p>		
<p>Article 14 Disclosure of information</p> <p>I. For any of the following circumstances when acquiring or disposing assets, the Company shall announce and report the relevant information</p>	<p>Article 14 Disclosure of information</p> <p>I. For any of the following circumstances when acquiring or disposing assets, the Company shall announce and report the relevant information</p>	<p>Amendment with the Taipei Exchange on January 12, 2022 with Cheng-Guai-Jian-Zi No. 1110200091.</p>

Amendments	Current regulations	Description
<p>on the website in the designated format according to the regulations within 2 days from the date of occurrence of the event:</p> <p>Paragraph 1 to 3 (Omitted)</p> <p>(IV) The asset transactions, dispose of creditor's rights of financial institutions, or investment in the Mainland Area other than in the preceding subparagraph (I) to (III) and the transaction amount is over 20% of the paid-in capital or with an amount of more than NT 300 million dollars. However, this does not apply to the following:</p> <ol style="list-style-type: none"> 1. The trading of <u>domestic government bonds or the foreign government bonds with a credit rating not lower than our country's sovereign rating.</u> 2. <u>Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</u> <p>(Omitted below)</p>	<p>on the website in the designated format according to the regulations within 2 days from the date of occurrence of the event:</p> <p>Paragraph 1 to 3 (Omitted)</p> <p>(IV) The asset transactions, dispose of creditor's rights of financial institutions, or investment in the Mainland Area other than in the preceding subparagraph (I) to (III) and the transaction amount is over 20% of the paid-in capital or with an amount of more than NT 300 million dollars. However, this does not apply to the following:</p> <ol style="list-style-type: none"> 1. The trading of domestic government bonds. 2. <u>The trading of bonds with the repurchase and resale agreements, or subscription or redemption of funds issued by the domestic securities investment companies.</u> <p>(Omitted below)</p>	
<p>Article 15 Other matters Paragraph I to IV (Omitted)</p> <p>V. A public company shall prescribe the "Handling Procedure for Acquiring or Disposing of Assets" in accordance with the provisions of the preceding points, and report to the shareholders meeting after</p>	<p>Article 15 Other matters Paragraph I to IV (Omitted)</p> <p>V. A public company shall prescribe the "Handling Procedure for Acquiring or Disposing of Assets" in accordance with the provisions of the preceding points, and report to the shareholders meeting after</p>	<p>The Company establish an audit committee in lieu of a supervisor.</p>

Amendments	Current regulations	Description
<p>the resolution of <u>an audit committee and the board of directors.</u> (Omitted below)</p>	<p>the resolution of the board of directors and <u>verified by the supervisors.</u> (Omitted below)</p>	
<p>Article 16 <u>The company has established an audit committee, when it adopts or amends its Operational Procedures for Loaning Funds to Others, the procedures or amended procedures shall require the approval of one-half or more of all audit committee members, and furthermore shall be submitted for a resolution by the board of directors.</u> <u>If the approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</u> <u>The terms "all audit committee members" in paragraph 1 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p>	<p>Article 16 <u>These operating procedures after passage by the board of directors, submit the Procedures to each supervisor and submit them for approval by the shareholders' meeting.</u> <u>These operating procedures for discussion by the board of directors under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion. If an independent director expresses any dissent or reservation, it shall be noted in the minutes of the board of directors meeting.</u></p>	<p>The Company establish an audit committee in lieu of a supervisor.</p>
<p>Article 17: Amendment information These operating procedures were stipulated on December 9, 1997. (Omitted) <u>The eleventh amendment</u> <u>Approved by the meeting of the board of directors on March 28, 2022.</u> <u>Approved by the shareholders meeting on June 23, 2022.</u></p>	<p>Article 17: Amendment information These operating procedures were stipulated on December 9, 1997. (Omitted)</p>	<p>The amendment information was added to this article.</p>

Green World Hotels Co., Ltd.
Comparison table of amendments to the “Operational Procedures for Loaning Funds to Others”

Amendment	Current regulations	Description
<p>Article 3: The Company’s Operational Procedures for Loaning Funds to Others are as follows:</p> <p>Paragraphs 1 to 3 (omitted).</p> <p>4. Duration of loans and calculation of interest.</p> <p>(1) The duration of each loan shall not exceed one year.</p> <p>(II) The calculation of interest shall refer to the benchmark interest rate of the Bank of Taiwan on the date of loan, which should be within a reasonable range and signed by the borrower and the lender in a written contract, however, the interest rate should not be lower than the lowest interest rate of funds borrowing from the financial institution by the Company. The interest shall be calculated in a monthly basis, and it may be adjusted depending on the actual circumstances upon the approval of the board of directors.</p> <p>(Omitted below)</p>	<p>Article 3: The Company’s Operational Procedures for Loaning Funds to Others are as follows:</p> <p>Paragraphs 1 to 3 (omitted).</p> <p>4. Duration of loans and calculation of interest.</p> <p>(1) The duration of each loan shall not exceed one year. <u>However, it may be extended depending on the actual circumstances upon the approval of the board of directors.</u></p> <p>(II) The calculation of interest shall refer to the benchmark interest rate of the Bank of Taiwan on the date of loan, which should be within a reasonable range and signed by the borrower and the lender in a written contract, however, the interest rate should not be lower than the lowest interest rate of funds borrowing from the financial institution by the Company. The interest shall be calculated in a monthly basis, and it may be adjusted depending on the actual circumstances upon the approval of the board of directors.</p> <p>(Omitted below)</p>	<p>This article is amended according to the “Regulations Governing Loaning of Funds and Making of Endorsements or Guarantees by Public Companies.”</p>

Amendment	Current regulations	Description
<p>Article 9: The first amendment was made on December 9, 1997. The second amendment was made on June 30, 2003. The third amendment was made on June 23, 2006. The fourth amendment was made on June 19, 2009. The fifth amendment was made on August 19, 2010. The sixth amendment was made on June 21, 2013. The seventh amendment was made on March 20, 2017. The eighth amendment was made on June 28, 2019. The ninth amendment was made on June 28, 2019.</p>	<p>Article 9: The first amendment was made on December 9, 1997. The second amendment was made on June 30, 2003. The third amendment was made on June 23, 2006. The fourth amendment was made on June 19, 2009. The fifth amendment was made on August 19, 2010. The sixth amendment was made on June 21, 2013. The seventh amendment was made on March 20, 2017.</p>	<p>The amendment date was added to this article.</p>

Appendices

Green World Hotels Co., Ltd.
Rules of Procedure for Meeting of Shareholders

Article 1 The rules of procedures for meetings of shareholders of the Company, except as otherwise provided by the laws, regulations or articles, shall be as provided in these Rules.

Article 2 The Company shall specify in the notices of meeting of shareholders the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

As stated in the preceding paragraph, the time during which shareholder attendance registrations will be accepted shall be at least 30 minutes prior to the time the start of meeting time; the place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders or their entrusted agents (hereinafter referred to as the shareholders) shall attend meetings of shareholders 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. The soliciting agents shall also bring identification documents for verification.

The company shall prepare an attendance book for the attending shareholders to sign, or attending shareholders may hand in a sign-in card.

The company shall provide the attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be attached.

When the government or a corporate person is a shareholder, it may be represented by more than one representative at a meeting of shareholders. When a corporate person is entrusted to attend as proxy, it may designate only one person to represent it in the meeting.

Article 3 The voting for resolution at a meeting of shareholders shall be calculated based the number of shares.

With respect to the resolutions of the meeting of shareholders, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares. When a shareholder is an interested party in relation to an agenda item of the meeting and that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item and may not exercise voting rights as proxy for other shareholders.

The number of shares for which voting rights may not be exercised mentioned in the preceding paragraph, shall not be calculated as part of the voting represented by the attending shareholders. Except for a trust enterprise or a shareholder services agent approved by the competent authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total issued shares. If that

percentage is exceeded, the voting rights in excess of 3% shall not be included in the calculation.

Article 4 The location for a meeting of shareholders shall be the premises of the Company or a place that is easily accessible to the shareholders and suitable for a meeting of shareholders. The meeting time may not be earlier than 9 a.m. and later than 3 p.m. and it shall take into full consideration for the opinions of the independent directors with respect to the place and time of the meeting.

Article 5 If a meeting of shareholders is convened by the board of directors, the meeting shall be chaired by the chairman of the board. The meeting shall be attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee and the attendance shall be recorded in the meeting minutes. When the chairman of the board is on leave or for any reason unable to exercise the powers of chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman is also on leave or for any reason unable to exercise the powers of vice chairman, the chairman shall appoint one of the managing directors to act; however, if there are no managing directors, one of the directors shall be appointed to act as chair. If no appointment is made by the chairman, the managing directors or directors shall select one person from among themselves to serve as chair.

If a managing director or a director serves as chair, as mentioned in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business status of the Company. The same shall be applied for a representative of a corporate person director that serves as chair.

If a meeting of shareholders is convened by a party other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall select a chairman from among themselves.

The company may appoint its attorneys, accountants, or related persons to attend a meeting of shareholders without the voting capacity.

Article 6 The staff members handling administrative affairs at a meeting of shareholders shall wear identification cards or armbands.

The chairman may direct the proctors or securities to help maintain order at the meeting venue. The proctors or securities help maintain order at the meeting place shall wear an identification card or armband bearing the word "Proctor."

At the venue of a meeting of shareholders, if a shareholder attempts to speak through any device other than the public equipment set up by the Company, the chairman may stop the shareholder from so doing.

If shareholders violate the rules of procedure and defies the chairman's correction, obstructing the proceedings and refusing to heed calls to stop, the chairman may direct the proctors or securities to escort the shareholder from the meeting.

Article 7 The company shall make an uninterrupted audio and video recording of the entire meeting of shareholders, and the recorded materials shall be retained for at least one year.

The recorded audio and video materials of the preceding paragraph shall be retained for at least one year. However, if a shareholder files a lawsuit according to Article 189 of

the Company Act, the recording materials shall be retained until the conclusion of the litigation.

Article 8 Attendance at meetings of shareholders shall be calculated based on number of shares. The attended number of shares shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chairman shall call the meeting to order at the appointed meeting time, as well as announce relevant information such as the number of people with non-voting rights and the number of attended shares at the same time. If the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, providing that no more than two such postponements and for a combined total of no more than one hour may be made. If after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chairman shall declare the meeting adjourned.

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 according to Article 175, Paragraph 1 of the Company Act. And all shareholders shall be notified of the tentative resolution and another meeting of shareholders shall be held within one month.

Prior to conclusion of the meeting, if the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for a resolution by the meeting of shareholders according to Article 174 of the Company Act.

Article 9 If a meeting of shareholders is convened by the board of directors, the meeting agenda shall be made by the board of directors. Related proposals (including extraordinary motions and the amendment of existing proposals) shall be voted individually. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the meeting of shareholders.

The regulations of the preceding paragraph may be applied to a meeting of shareholders convened by a party that is not the board of directors.

Except by a resolution of the meeting, the chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions). If the chairman declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chairman according to the regulations, by a consent of the shareholders representing a majority of voting, 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 the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, and arrange adequate time for voting.

Article 10 Before the attending shareholders speak, they must write down on a speaker's slip the

subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be determined by the chairman.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be regarded as does not speak. When the content of the speech does not match to the subject given on the speaker's slip, the spoken content shall prevail.

A shareholder may not speak more than twice on the same proposal, except with the agreement of the chairman, and a single speech may not exceed 5 minutes. However, if the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have obtained the agreement of the chairman and the speaking shareholder, and the chairman shall stop any violation.

If a corporate person shareholder appoints two or more representatives to attend the meeting of shareholders, only one of the representatives may speak on the same proposal.

After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.

Article 11 The meetings of shareholders of the Company shall be convened by the board of directors, unless otherwise stipulated by other laws or regulations.

The company shall prepare electronic version of the meeting of shareholders notice and proxy forms and the case origins and description materials relating to all proposals, including proposals for ratification, matters for discussion, or the election or dismissal of directors, and upload them to the website of the Market Observation Post System at least 30 days before the date of a regular meeting of shareholders or at least 15 days before the date of a special meeting of shareholders. The company shall prepare an electronic version of the shareholders' meeting of agenda and supplemental meeting materials and upload them to the website of the Market Observation Post System at least 21 days before the date of the regular meeting of shareholders or at least 15 days before the date of the special meeting of shareholders. Moreover, at least 15 days before the date of the meeting of shareholders, the Company shall also have prepared the agenda of the shareholders' meeting of and supplemental meeting materials for shareholders' review at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional share affairs services agent designated as well as being distributed on-site at the meeting venue.

The reason for convening a meeting of shareholders shall be specified in the meeting notice and announcement; and the meeting notice may be given in electronic form with the consent of the party.

Election or dismissal of directors, amendments to the articles of incorporation, capital reduction, application for cessation of public offering, waiver of non-compete duty for directors, capitalization of retained earnings, capitalization of capital reserves, the dissolution, merger or demerger of the Company or any matter under Article 185, paragraph 1, of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering

and Issuance of Securities by Securities Issuers shall be set out and the main contents shall be outlined in the notice of the reasons for convening the meeting of shareholders. None of the above matters shall be raised by an extraordinary motion.

If a full re-election of directors and their term have been stated in the notice of a meeting of shareholders, after the re-election is completed in that meeting of shareholders, the term of such directors or supervisors shall be changed by an extraordinary motion or any means.

A shareholder holding one percent or more of the total number of issued shares may submit to this Company a written proposal for discussion at a general meeting of shareholders. Such proposals, however, are limited to one item only and no proposal containing more than one item will be included in the meeting agenda. However, the board of directors should include in the agenda proposals with recommendations for promoting public interest or fulfilling corporate social responsibilities. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a general meeting of shareholders is held, the Company shall publicly announce the recruitment of shareholder proposals, the methods of submission, written or electronic versions, and the location and time period for submission; the period for submission of shareholder proposals shall not be less than 10 days.

Each shareholder proposal is limited to 300 words and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the general meeting of shareholders and take part in the discussion of the proposal.

Prior to the date of issuance of the notice for a meeting of shareholders, this Company shall inform the shareholders who have submitted proposals for the meeting of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the meeting of shareholders, the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 12 The shareholders may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any meeting of shareholders, and the proxy form shall be delivered to the Company at least 5 days before the date of the meeting of shareholders. When more than one proxy form is delivered, the one received earliest shall prevail. Unless a declaration is made to cancel the previously received proxy form.

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 is required to be submitted to the Company at least two business days before the meeting date; if the cancellation notice is submitted after that time, the vote cast by the proxy at the meeting shall prevail.

Article 13 The matters with regards to the election of directors at a meeting of shareholders shall

be held according to the applicable election and appointment rules adopted by the Company and the voting results shall be announced on the spot, including the names of those elected as directors.

The ballots for the abovementioned election in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a shareholder files a lawsuit according to Article 189 of the Company Act, the recording materials shall be retained until the conclusion of the litigation.

Article 14 The resolution matters of a meeting of shareholders shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman of the meeting and it shall be distributed to each shareholder within 20 days after the meeting date. The meeting minutes may also be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by uploading to the website of Market Observation Post System as a public announcement.

The meeting minutes shall accurately record the year, month, day, and place of the meeting; the chair's full name, the methods by which resolutions are adopted and a summary of the deliberations and voting results (including the weights for statistics). If an election of directors is held, the number of votes for each candidate shall also be disclosed. The meeting minutes shall be retained for the duration of the existence of this Company.

Article 15 The Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies on the day of a meeting of shareholders, and shall make an express disclosure of the same at the venue of the meeting of shareholders.

If the resolution matters at a meeting of shareholders constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Company (Taipei Exchange; TPEx) regulations, the Company shall upload the content of such resolution to the website of Market Observation Post System within the prescribed time period.

Article 16 When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when the meeting will be resumed, depending on the circumstances.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been concluded, the meeting of shareholders may resolve to resume the meeting at another venue.

A resolution may be adopted at a meeting of shareholders to defer or resume the meeting within five days according to Article 182 of the Company Act.

Article 17 Each shareholder shall be entitled to one vote for each share held, except when the shares are restricted as non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Company holds a meeting of shareholders, shareholders shall be allowed to exercise voting rights by electronic means or may exercise such rights by

correspondence. When exercising voting rights by correspondence or electronic means, the method of exercise shall be stated in the notice of meeting of shareholders. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. But it will also be regarded to have waived the rights with respect to the extraordinary motions and amendments to original proposals of the meeting. This Company should avoid making extraordinary motions and amendments to original proposals.

A shareholder intending to exercise his/her voting rights by correspondence or electronic method in the preceding paragraph shall deliver a written declaration of intent to the Company at least 2 days before the date of the meeting of shareholders. When duplicate declarations of intent are delivered, the one received earliest shall prevail. Unless otherwise a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised the voting rights by correspondence or electronic method, in the event the shareholder intends to attend the meeting of shareholders in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by which the voting rights were exercised, at least two business days before the date of the meeting of shareholders; and if the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic method shall prevail. When a shareholder has exercised the voting rights by correspondence or electronic method as well as by appointing a proxy to attend a meeting of shareholders, the voting rights exercised by the proxy in the meeting shall prevail.

The passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders, unless otherwise stipulated in the Company Act and in the Articles of Incorporation of the Company.

If there is an amendment or an alternative to a proposal, the chairman shall decide the order in which they will be put to a vote. When any one of the cases is passed, the other proposals will then be regarded as rejected, so that no further voting shall be required.

Vote monitoring and counting personnel on a proposal shall be appointed by the chairman, providing that all monitoring personnel shall be shareholders of the Company.

Vote counting for the proposals of meeting of shareholders or elections shall be conducted in public at the venue of the meeting of shareholders, and immediately after vote counting has been completed, the results of the voting, including the statistical numbers of votes, shall be announced on the spot at the meeting, and a record of the vote shall be made. And on the same day the meeting is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be uploaded to the website of Market Observation Post System.

Article 18 These Rules shall be implemented after the approval of the meeting of shareholders. The same shall apply to the amendments thereof.

Approved by the extraordinary meeting of shareholders on December 9, 1997.

1st amendment made at the AGM on May 15, 2002.

2nd amendment made at the AGM on June 22, 2012.

3rd amendment made at the AGM on June 21, 2013.

4th amendment made at the AGM on June 26, 2015.

5th amendment made at the AGM on June 15, 2020.

6th amendment made at the AGM on May 28, 2021.

Green World Hotels Co., Ltd.
Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company is organized according to the Company Act and the name of the Company is 洛碁實業股份有限公司.
(The Company's English name is Green World Hotels Co., Ltd.)
- Article 2 The Company shall conduct business in the following areas:
1. F401010 International trade industry.
 2. JE01010 Rental industry.
 3. F601010 Intellectual property rights industry.
 4. I199990 Other consultancy services industry.
 5. I301010 IT software services industry.
 6. IZ99990 Other commercial services industry.
 7. J202010 industrial cultivation industry.
 8. J901020 General hotel industry.
 9. J701020 Amusement park industry.
 10. J701040 Recreational activity industry.
 11. JA03010 Laundry industry.
 12. I103060 Management consultancy industry.
 13. JZ99080 Beauty salon services industry.
 14. F102050 Tea wholesales industry.
 15. F102170 Food and wholesale industry.
 16. F201010 Agricultural product retail industry.
 17. F203010 Food and beverage retail industry.
 18. F206020 Daily commodities retail business industry.
 19. F501030 Beverage shop industry.
 20. F501060 Restaurant industry.
 21. G202010 Parking lot management industry.
 22. H703090 Real estate business.
 23. H703100 Real estate leasing industry.
 24. F203020 Tobacco and liquor retail industry.
 25. F399040 No storefront retail industry.
 26. J901011 Tourism hotel industry
 27. ZZ99999 In addition to the licensed business, it can operate businesses that are not prohibited or restricted by the laws.
- Article 3 The head office of the Company is located in Taipei City, and if it is necessary, the Company may establish domestic or overseas branch companies with the approval of the board of directors and the competent authority.
- Article 4 The total amount of all reinvested businesses of the Company may exceed 40% of the paid-up capital of the Company. The board of directors is authorized for making the strategic business decision of the reinvested business.

Article 5 The company may make the external endorsement or guarantee; the regulations for endorsements and guarantees will be implemented upon the approval of the meeting of shareholders, and the same shall be applied to the amendments.

Article 6 The company's announcement is conducted in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 7 The total capital of the Company shall be NT\$2.5 billion, divided as 250 million shares with a par value of NT\$10 per share, and of which 10 million shares are reserved for stock option certificates, and the rest can be used for the issuance of preferred shares and some shares can be reserved for the conversion of convertible bonds. Authorize the board of directors to issue by installments.

Article 7-1 (This article is deleted)

Article 7-2 (This article is deleted)

Article 7-3 (This article is deleted)

Article 7-4 The treasury stocks purchased by the Company according to the Company Act may include employees of subsidiaries or affiliated companies meeting certain specific requirements.

The Company's issuance of stock option certificates for employees may include employees of subsidiaries or affiliated companies meeting certain specific requirements.

When issuing new shares, the acquired shares for the employees of the Company may include employees of subsidiaries or affiliated companies meeting certain specific requirements.

When issuing new shares with restriction on the employees' rights, the acquired shares for the employees of the Company may include employees of subsidiaries or affiliated companies meeting certain specific requirements.

Article 8 The shares of the Company shall be numbered and signed or stamped by three or more directors, and they can be issued upon the approval of competent authority or its certified issuance and registration authority.

Article 9 The shares of the Company are all registered shares. When issuing new shares, the Company may print out the total issued number of shares, or it may be conducted in a manner that is free of printed shares, in accordance with the regulations of the Company Act.

Article 10 The shareholders of the Company may transfer their shares, conduct a pledge of rights, report on loss, inheritance, gift and report on stamp loss or change, and change of address, etc.; they shall be conducted according to the “Regulations Governing the Administration of Shareholder Services of Public Companies,” unless otherwise by the provisions of the securities laws and regulations.

Article 11 The change of shareholder’s name in a register or stock transfer will be suspended within 60 days before the general meeting of shareholders, within 30 days before the special meeting of shareholders, or within five days before the record date of the Company’s distribution of dividends or other benefits.

The period mentioned in the preceding paragraph shall be from the meeting date or the record date.

Chapter 3 Meeting of Shareholders

Article 12 The meeting of shareholders includes the general meeting of shareholders and extraordinary meetings of shareholders.

1. The general meeting of shareholders will be convened once a year. It is convened by the board of directors six months after the end of each fiscal year, in accordance with the laws.
2. If necessary, the extraordinary meeting of shareholders will be convened in accordance with the laws.

Article 13 Each shareholder of the Company shall have a voting right for each share held, unless otherwise stipulated by the laws and regulations.
The voting rights may be exercised in writing or electronically at the meeting of shareholders of the Company. If the voting rights are to be exercised in writing or electronically, it shall be specified in the notice of the meeting of shareholders, and it shall be considered to have attended the meeting of shareholders in person. But it will also be regarded to have waived the rights with respect to the extraordinary motions and amendments to original proposals of the meeting. This Company should avoid making extraordinary motions and amendments to original proposals.

Article 14 A resolution of a meeting of shareholders shall be adopted with a consent of the shareholders representing a majority of the voting rights at the meeting attended by shareholders holding a majority of the total issued shares, unless otherwise stipulated by the related laws and regulations.

Chapter 4 Directors and Supervisors

Article 15 The Company has 5-7 directors and 2-3 supervisors, and the term of office is three years. Directors and supervisors are elected or re-elected by the meeting of shareholders among competent shareholders. Candidates for directors shall be

nominated according to the candidate nomination system specified in Article 192-1 of the Company Act and elected from the list of candidates by the meeting of shareholders.

On the basis of Article 14-2 of the Securities and Exchange Act and the regulations of Article 183 of the Securities and Exchange Act, the Company shall have no less than two independent directors in the list of directors specified in the preceding paragraph, and the number of independent directors shall not be less than one-fifth of the number of directors.

If the directors' terms of office have expired but new directors are not re-elected, the directors' terms will be extended until the re-election and new directors take office.

The Company has created an audit committee at the 13th term of the Board of Directors according to Article 14-4 of the Securities and Exchange Law, and the audit committee is responsible for the implementation of the supervisors' duties under the Companies Act, the Securities and Exchange Law and other laws. The audit committee is consisted of all independent directors. The number of the members shall not be less than three, and one of them shall be the convener and at least one of them shall have expertise in the field of accounting or finance. The relevant rules of the organization shall be resolved by the board of directors.

The total number of registered shares held by all directors of the Company shall be conducted according to the standards in the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" announced by the competent authority.

The Company may purchase liability insurance for the Company's directors and supervisors.

Article 16

The Board of Directors consists of directors and the directors should attend the meeting of the board of directors in person. If the directors are unable to attend the meeting for any reason, they may entrust other directors to attend, but each director is limited to act for only one other director.

When the meeting of the board of directors is called via video conference, the directors who participate in the video conference are regarded as attending the meeting in person.

One chairman and one vice-chairman of the Company will be elected based on the consent of the directors representing a majority of the voting rights at the meeting of the board of directors attended by two-thirds of the directors or more. The chairman represents the Company externally.

The meeting of the board of directors will be convened at least once every three months, but a special meeting may be called at any time for emergency circumstances. The meeting notice for the meeting of the board of directors can be in the form of written, fax or email notification.

Article 17

A resolution of the board of directors' meeting shall be adopted with a consent of the directors representing a majority of the voting rights at the meeting

attended by more than half of the directors

The board of directors may establish a Remuneration Committee or other functional committees for the needs of business operations.

Article 18 When the chairman of the board is on leave or for any reason unable to exercise the powers of chairman, the acting role shall be conducted in accordance with the provisions of Article 208 of the Company Act.

Article 19 Remunerations of all directors and supervisors shall be discussed and determined at the board of directors meeting, and regardless of the profit or loss of the Company, they shall be paid based on the remuneration level in the industry.

Chapter 5 Managers

Article 20 The company shall have one general manager and several deputy general managers and managers, and its appointment, dismissal and remuneration shall be conducted according to Article 29 of the Company Act.

Chapter 6 Accounting

Article 21 At the end of each fiscal year, the board of directors shall prepare the following:
(I) Business report.
(II) Financial statements.
(III) Proposal for distribution of profits or compensation of losses.

The various reports and financial statements shall be submitted to the supervisor for review 30 days before the general meeting of shareholders, and submitted to the meeting of shareholders for ratification.

The distribution of cash dividends in the profit distribution will be based on the consent of the directors representing a majority of the voting rights at the meeting of the board of directors attended by two-thirds of the directors or more. All or part of the dividends and bonus should be distributed in cash and it shall be reported in the meeting of shareholders.

Article 22 If the Company has profits in the year, it should reserve 0.7% to 10% for the employees' remuneration and 1% or less for the directors' remuneration. However, if the Company still has accumulated losses, the amount shall be reserved in advance.

The employees' remuneration mentioned in the preceding paragraph refers the shares or cash paid to the employees, including employees of subsidiaries meeting certain specific requirements.

Article 22-1 If the company's annual final accounts have a surplus, it should first be reserved to pay taxes and cover the losses in the past, and then 10% should be reserved for the statutory surplus reserve. However, it is not limited to the statutory surplus reserve that has reached the company's paid-in capital. Moreover, it depends on

the operational needs and statutory requirements whether to reserve or reverse the special surplus reserves. The remaining surplus and the undistributed surplus at the beginning of the period will be distributed upon the resolution of the meeting of shareholders proposed by the board of directors.

Chapter 7 Supplementary Provisions

Article 23 When distributing dividends, the cash dividends will be given priority as the Company considers the future operation and the cash flow demands of the company, and the ratio of surplus distribution in cash shall not be less than 20% of the shareholders' dividends in the current year.

Article 24 The directors, supervisors and managerial officers of the Company shall not disclose or reveal confidential documents of the Company or the confidential information regarding technology, market or products that are involved in the business operations of the Company to others.

Article 25 For any matter that is not stipulated in these articles, the matter shall be conducted according to the Company Act.

Article 26 This regulation was stipulated on July 19, 1994.
The first amendment was made on October 15, 1994.
The second amendment was made on December 21, 1995.
The third amendment was made on April 1, 1996.
The fourth amendment was made on September 2, 1996.
The fifth amendment was made on March 17, 1997.
The sixth amendment was made on July 22, 1998.
The seventh amendment was made on December 18, 2000.
The eighth amendment was made on May 15, 2002.
The ninth amendment was made on June 30, 2003.
The tenth amendment was made on May 14, 2004.
The eleventh amendment was made on May 14, 2004.
The twelfth amendment was made on February 21, 2005.
The thirteenth amendment was made on June 23, 2006.
The fourteenth amendment was made on December 12, 2006.
The fifteenth amendment was made on June 15, 2007.
The sixteenth amendment was made on December 5, 2007.
The seventeenth amendment was made on June 13, 2008.
The eighteenth amendment was made on June 19, 2009.
The nineteenth amendment was made on June 22, 2012.
The twentieth amendment was made on June 21, 2013.
The twenty-first amendment was made on August 12, 2013.
The twenty-second amendment was made on December 30, 2013.
The twenty-third amendment was made on December 30, 2013.
The twenty-fourth amendment was made on June 25, 2014.
The twenty-fifth revision was made on June 26, 2015.
The twenty-sixth revision was made on made June 13, 2016.

The twenty-seventh amendment was on made December 15, 2016.
The twenty-eighth amendment was made on June 26, 2018.
The twenty-ninth amendment was made on June 28, 2019.

Green World Hotels Co., Ltd.

Chairman Hsieh, Hsien-Chih

Green World Hotels Co., Ltd.
Regulations for Election of Directors and Supervisors

Article 1: Elections of directors and supervisors of this Company shall be conducted in accordance with these Regulations.

The overall composition of the board of directors shall be taken into consideration in the selection of this Company's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

I. Basic requirements and values: gender, age, nationality and culture.

II. Professional knowledge and skills: a professional background (*e.g.*, law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

I. The ability to make judgments about operations.

II. Accounting and financial analysis ability.

III. Business management ability.

IV. Crisis management ability.

V. Knowledge of the industry.

VI. An international market perspective.

VII. Leadership ability.

VIII. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of this Company shall consider adjusting its composition based on the results of performance evaluation.

Article 2: Elections of independent directors of this Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. This Corporation shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee directors and supervisors and may not arbitrarily add requirements for documentation of other qualifications. It shall further provide the results of the review to shareholders for their reference, so that qualified directors and supervisors will be elected.

The registered cumulative voting system shall apply to the elections of directors and supervisors. The number of votes exercisable in respect of one share shall be the same as

the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director or supervisor elect. A supervisor shall not be concurrently a director, a managerial officer or other staff/employee of the company, and at least one supervisor shall have a domicile within the territory of the Republic of China to timely exercise its supervision duty. The attendance card number of the electors may be used on the ballot instead of the name of the electors.

Article 3: When opening the ballots, the chair of the meeting shall appoint ballot supervisor(s) from among the shareholders present. Other personnel responsible for counting and announcing the ballots and performing relevant duties shall be appointed by the chair of the meeting.

Article 4: A candidate elected as the director and supervisor at the same time shall decide on only one role, and the vacancy shall be filled by the candidate with the second highest number of votes. When two or more candidates receive the same number of votes, thus exceeding the specified number of positions, the persons of the same number of votes shall draw lots to determine the winner, with the chair drawing lots on behalf of any candidates not in attendance.

Article 5: The ballots shall be prepared by the board of directors, numbered according to the attendance card numbers and printed with the number of voting rights of the shareholders.

Article 6: The voters shall fill in the name and the shareholder's number of the candidate in the "Candidate" column.

Article 7: A ballot shall be voided and excluded from the votes for any candidate under any one of the following circumstances:

- (2) Ballots not in the form provided in accordance with Article 5 of these Rules
- (3) The number of candidates filled in the ballot exceeding the number of the seats to be elected
- (4) Ballots not cast in the ballot box or are blank when cast in the ballot box.
- (5) Ballots with other written characters or symbols in addition to candidate's name, shareholder's number.
- (6) Illegible writing.
- (7) The candidate's name in the ballot is inconsistent with the name in the shareholder register.

Article 8: The Company will not elect supervisors after an audit committee is established.

Article 9: Votes shall be calculated on site immediately the after the end of the poll under the supervision of tellers, and the results of the calculation, including the list of persons elected as directors or supervisors and the numbers of votes with which they were elected, shall be announced by the chair on-site.

The ballots for the abovementioned election in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a shareholder files a lawsuit according to Article 189 of the Company Act, the recording materials shall be retained until the conclusion of the litigation.

Article 10: Non-conformity with paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act shall invalidate the elect status.

Article 11: The board of directors of this Company shall issue notifications to the candidates elected as directors or supervisors.

Article 12: Matters not provided for in these Regulations shall be subject to this Company's Articles of Incorporation, the Company Act, and all relevant laws and regulations.

Article 13: These Regulations shall be implemented after the approval of the meeting of shareholders. The same shall apply to the amendments thereof.

Approved by the extraordinary meeting of shareholders on December 9, 1997.

1st amendment made at the AGM on June 23, 2006.

2nd amendment made at the AGM on June 15, 2007.

3rd amendment made at the AGM on June 26, 2015.

The effect of stock dividends distributions on the Company's business performance, earnings per share and shareholders' returns on investment: Not applicable

Appendix 5

Green World Hotels Co., Ltd.

Shareholdings of all directors

- I. The total paid-in capital of the Company: NT\$1,097,283,430
The total number of issued shares of the Company: 109,728,343 shares.
- II. The statutory shares of all directors: 8,000,000 shares
- III. As of the book closure date of the shareholders meeting, the shareholdings of all directors of the Company are as follows:

The record date: April 25 2022

Title	Name	Elective Date	Term of office (year)	Number of shareholdings in the entries in the shareholders' roster as of the book closure date	Shareholding ratio
Chairman	Shenyan Investment Co., Ltd. Representative: Hsieh Hsien-Chih	2020.6.15	3	7,930,502	7.227%
Director	Shenyan Investment Co., Ltd. Representative: Chang, Shi-Feng	2020.6.15	3	7,930,502	7.227%
Director	Yiyaun Investment Co., Ltd. Representative: Liu, Tang-Kun	2020.6.15	3	1,811,798	1.651%
Director	HIS Hotel Holdings Co., Ltd. Representative: Kodakamine Koji	2020.6.15	3	55,961,455	51%
Independent director	Liu, Shui-Sheng	2020.6.15	3	0	0%
Independent director	Wu, Yi-Tsai	2020.6.15	3	0	0%
Total shareholdings of all directors				65,703,755	59.878%

Note: Independent director Huang Chen-Chen resigned from her duties on January 11, 2022.