

Stock Code: 8077



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

Handbook for the 2023 Annual General Meeting of Shareholders

Meeting date and time: 9:00 a.m. on June 16, 2023

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

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Green World Hotels Co., Ltd.

Procedures of the 2023 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. Other Proposals
- VIII. Extraordinary Motions
- IX. Adjournment

Green World Hotels Co., Ltd.

Agenda of the 2023 Annual General Meeting of Shareholders

Time: 9:00 a.m., Thursday, June 16, 2023

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

The way the meeting is held: Physical shareholders' meeting.

One. Call the Meeting to Order

Two. Remarks by the Chairperson

Three. Report Items

- I. The Company's 2022 annual business report.
- II. Audit Committee's Review Report on the 2022 financial statements
- III. 2022 report on the distribution of compensation for employees and directors.
- IV. Status of Business Plan of Capital Reduction in 2022.

Four. Ratification Items

- I. Ratification of the Company's 2022 Business Report and financial statements.
- II. Ratification of the Company's 2022 Deficit Compensation Proposal.

Five. Discussion Items

- I. Amendments to the "Regulations for Election of Directors and Supervisors"

Six. Elections: Full-re-election of the company directors.

Seven. Other Proposals

- I. Motion to terminate the non-competition restrictions imposed on the new directors.

Eight. Extraordinary Motions

Nine. Adjournment

[Report Items]

Report 1

Report: Review of the Company's 2022 business report.

Explanation: Please refer to Annex 1 of this Handbook for the Company's 2022 Business Report.

Report 2

Report: Audit Committee's Review Report on the 2022 Financial Statements.

Explanation: Please refer to Annex 2 of this Handbook for the Audit Committee's Review Report on the Company's 2022 financial statements.

Report 3

Report: Review of the report on the 2022 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 2022, as it still has accumulated deficit in 2022.

Report 4

Report: Status of Business Plan of Capital Reduction in 2022.

Explanation:

- I. In accordance with the Letter Zheng-Gui-Jian-Zi No. 1110012999 dated December 15, 2022 from Taipei Exchange (TPEX) and Letter Zheng-Bao-Fa-Zi No. 1110004415 dated October 21, 2022 from the Securities and Futures Investors Protection Center (SFIPC), the implementation of the sound operating plan will be reported to the Board of Directors for control and reported to the shareholders' meeting on a quarterly basis.
- II. The base date of the capital reduction was set on December 21, 2022, and the period of FY2022 capital reduction for sound operations plan is the fourth quarter of 2022. Please refer to Attachment V of this handbook for the implementation report.

[Ratification Items]

Case 1

[Proposed by the Board of Directors]

Proposal: Ratification of the 2022 Business Report and financial statements.

Explanation:

- I. The Company were approved by the board of directors on March 23, 2023 and audited and certified by certified public accountant Lin-Fang, Wu and Wen-Hsin, Lo of Moore Stephens DaHua (Taiwan) CPAs.
- II. The Company's 2022 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 2022 financial statements of the Company.
- IV. Please ratify.

Resolution:

Case 2

[Proposed by the Board of Directors]

Proposal: Ratification of the 2022 Deficit Compensation Proposal

Explanation:

- I. Please refer to Annex 4 of this Handbook for the Deficit Compensation Table.
- II. The company has no distributable earnings in 2022, hence no dividend will be distributed this year.
- III. Please ratify.

Resolution:

[Discussion Items]

Case 1

[Proposed by the Board of Directors]

Proposal: Amendments to the "Regulations for Election of Directors and Supervisors"

Explanation:

- I. The Company has established an Audit Committee to replace the Supervisors, amended the name of the "Procedures of Election of Directors and Supervisors" to "Procedures for Election of Directors" in accordance with the law, and deleted the wording and related contents of the supervisors.
- II. Please refer to Attachment 6 of this Handbook for the cross reference of the amendment.
- III. Please discuss and verify.

Resolution:

[Elections]

[Proposed by the Board of Directors]

Full-re-election of the company directors.

Explanation:

- I. As the term of present directors and supervisors will expire on June 14, 2023, shall be proposed to re-elect of the company directors at the Annual General Meeting of Shareholders.
- II. Seven (7) directors (including three (3) independent directors) are proposed to be elected at the annual shareholders’ meeting under a candidate nomination system.
- III. The term of newly elected directors is three years, commencing on June 16, 2023 and ending on June 15, 2026. The term of the present directors and supervisors will end at the inauguration of the new directors elected at the present annual shareholders’ meeting.
- IV. Please refer to Annex 7 for the List of Candidates for Directors and Independent Directors.

Election Results:

[Other Proposals]

Case 1

[Proposed by the Board of Directors]

Proposal: Motion to terminate the non-competition restrictions imposed on the new directors.

Explanation:

- I. With respect to Article 209 of the Company Act: “A director, who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”
- II. If any of the new directors elected at the Company's 2023 annual shareholders’ meeting engage in any practices as described in Article 209 of the Company Act, it is proposed that the annual shareholders’ meeting resolve to release the Company's directors and their representatives from the restrictions on engaging in any of the practices described in Article 209 of the Company Act, provided that the Company's interests are not prejudiced against.
- III. Please refer to Attachment VIII of this Handbook for details of the new directors and their representatives who engage in competitive behavior.
- IV. Please discuss and verify.

Resolution:

[Extraordinary Motions]

[Adjournment]

Business Report

2022 marks the third year of the COVID-19 pandemic since 2020. The tourism industry has been suffering for more than three years as the pandemic has spread from Asia to Europe, the Americas, New Zealand, Australia, and Africa, and many countries have announced border closures, entry and exit controls, and suspension of non-essential visas in order to stop or delay the spread of the pandemic. 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. With the increase in the national vaccination rate and the opening of Taiwan's borders on October 13, 2022, Taiwan's tourism industry has shown a slow recovery, and business conditions are expected to return to those before the pandemic as soon as possible.

All of our Company's hotels are located in Taipei City, which is considered the area most seriously affected by the pandemic.. As of the end of 2022, we own and operate a total of 15 hotels (including Sky 8 and Shye Mei), which generated a total revenue of 546,279 thousand NTD in 2022. This marks a increase of 39% compared to the previous year. The net deficit after tax in 2022 and 2021 amounted to 225,524 thousand NTD and 362,481 thousand NTD, respectively.

The 2022 annual business report of the Company is as follows:

I. The 2022 annual consolidated financial report: (in thousand NTD)

(I) The 2022 business implementation results

Year	2021	2022
Items		
Operating revenue	391,664	546,279
Operating costs	583,703	640,057
Operating gross or loss profit	(192,039)	(93,778)
Operating gain or loss	(249,958)	(166,586)
Non-operating gain or loss	(107,515)	(58,938)
Net profit (loss) before tax	(357,473)	(225,524)
Net profit (loss) of the current period	(362,481)	(225,524)

(II) The status of budget execution in 2022: the Company did not make any financial forecasts and thus, this does not apply to the Company.

(III) The 2022 financial analysis

Year	2021	2022	
Items			
Financial structure	Ratio of debts to assets	86.85%	91.93%
	Percentage of long-term funds to real property, plant and equipment	361.44%	349.41%
Solvency	Current ratio	31.62%	35.12%
	Quick ratio	29.76%	33.83%
	Receivables turnover (number of times)	20.41	28.70

Items		Year	
		2021	2022
Management capacity	Average number of cash received days	17.88	12.71
	Profitability		
	Return on assets	(7.61%)	(4.99%)
	Return on equity	(53.96%)	(59.71%)
	Ratio of net profit before tax to paid-up capital	(32.58%)	(102.76%)
	Profit margin	(92.55%)	(41.28%)
	Earnings per share (dollars)	(16.52)	(10.28)

(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 opening of Taiwan's borders on October 13, 2022, Taiwan's tourism industry has slowly but gradually recovered.

The number of tourists traveling to Taiwan in 2022 was 895,962 which increased 537.79% compared to 2021. The detailed data of the main tourists traveling to Taiwan in 2022 are as follows.

Region	Number of tourists visiting Taiwan in 2021	Number of tourists visiting Taiwan in 2022	Increase or decrease %	Increase or decrease number
Southeast Asia	65,309	484,041	641.16	418,732
Japan	10,056	87,616	771.28	77,560
South Korea	3,300	51,748	1,468.12	48,448
Hong Kong and Macau	10,760	32,621	203.17	21,861
Mainland China	13,267	24,378	83.75	11,111

In terms of hotel supply, the number of legal general hotels in Taipei City and New Taipei City decreased by 22 and the number of rooms by 904 in FY2022 compared to FY2021, while the number of tourist hotels decreased by 5 and the number of rooms by 1,422, and the total number of rooms decreased by 2,326. Significant decline in traveler numbers due to the impact of COVID-19 and competition from non-legal lodging operators. In summary, with the opening of the country's borders, business conditions are expected to return to pre-pandemic levels.

III. Summary of the 2023 business plan and future development strategy of the Company:

By improving the operational performance and the collaboration of the management team, the Company was able to recover quickly and grow steadily during the post-pandemic period.

(I) Short to Mid-term Strategy

1. To utilize and synergize existing resources to meet the needs of travelers from Japan, Korea, Singapore and Malaysia. The Company's largest shareholder is currently H.I.S., a leading Japanese travel agency group. Through H.I.S.'s vast global resources and ability to attract customers, the Company will be able to quickly acquire group and individual travelers.
2. Strengthen Domestic Market Before the COVID-19 outbreak, only about 10% of our clients

were of Taiwanese nationality. During the pandemic, the Company developed its own membership system and combined it with Funnow, a world-renowned real-time entertainment platform, to provide diversified membership services. At the same time, the Company collaborated with Taiwan High Speed Rail to launch hotel combo tickets, which has greatly enhanced the official website booking. In the future, the Company shall continue this strategy, expand cross-industry cooperation, provide value-added services to local passengers, and maintain and continue to increase the percentage of local clients (travelers) to 20%.

3. **Minimize Guest Room Inventory** To reduce losses during the COVID-19 pandemic, the Company closed four locations, resulting in a reduction in the number of rooms in operation. In the future, the Company will implement efficient vacancy control measures to reduce the chance of vacant inventory, and through the joint reservation center, we will digitalize and ensure efficient room control processes, and make use of the joint operation of the branch offices to accept different levels of customers, so that we can achieve the goal of “zero low-season” strategy year round.
4. **Workflow Efficiency and System Optimization** 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. In addition to fundamentally re-examining the workflow and establishing new workflow standards, we also introduced RPA-led automation systems to standardize the system and reduce labor costs to increase profitability in the post-pandemic era.
5. **Apply Experiences Gained During the Pandemic Prevention Period to Ensure Proper Operations** Just because borders are open again, and travel is returning to normal, it doesn't mean infections won't happen. During the pandemic period, the Company operated 5 epidemic prevention (quarantine) hotels. We will make full use of our experience in epidemic prevention and adjust our on-site SOPs to reduce the risk of epidemic infection among tourists and staff, so as not to affect our normal operations due to epidemic prevention negligence.
6. **Pay close attention to the trend of tourism development during the post-pandemic era and combine with KKday, My Taiwan Tour and other affiliated companies to package localized and customized travel and lodging experiences to introduce Taiwan's rich customs and culture to the world and expand the global market.**
7. **Strengthen the training of talents, establish cooperation agreements with colleges and universities and foreign hotels of affiliated enterprises, provide domestic and foreign internship and work opportunities, and build a talent pool.**

(II) Mid to Long-term Strategy

1. **Stable growth with diversified operations**
 - (1) As the recovery of the hotel business continues, in addition to actively stabilizing hotel revenue, the additional income derived from investment in tourism-related industries is also an area that can be actively expanded in the future.
 - (2) Expand our presence in other cities and counties to increase our market share. In addition to Taipei City, we are evaluating the development of hotels in other counties to provide visitors with consistent high-quality services and customized accommodation experiences, establish a solid brand image while remaining affordable, and increase the

return rate of guests.

2. Management Infrastructure

Planning and designing new business models to increase revenue. The management team has formed an efficient and multi-tasking operations team to face the changing business dynamics and consider bringing in strategic investors to plan and design new business models to increase revenue.

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 2022 business report, the profit distribution table, and the individual financial statements and consolidated financial statements audited by accountants Lin-Fang, Wu and Wen-Hsin, Lo of Moore Stephens DaHua (Taiwan) CPAs. 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 2023 Annual General Meeting of Shareholders

Chairman of Audit Committee: Liu, Shui-Sheng

Date: March 23, 2023

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, 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the year 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, 2022, and its consolidated financial performance and its consolidated cash flows for the year 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 of 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 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 for the year ended December 31, 2022. 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(8), 4(9) and 4(10) for the accounting policy on “Property, plant and equipment”, “Leases” and “Intangible assets”; 5(1) for the significant accounting assumptions and judgments; and 6(3), 6(4) and 6(5) for information on “Property, plant and equipment”, “Leases” and “Intangible assets”.

Description of key audit matters:

As of December 31, 2022, the carrying amount of right-of-use assets, intangible assets, property, plant and equipment constitute 87% 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:

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(12) and 6(15)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:

- (a) Understanding and testing the effectiveness of internal control procedures on room revenue recognition.
- (b) Obtaining daily operating reports from the Group, 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 reasonableness.

Emphasis of Matter

Due to the impact of government tourism policies and industry environment, the occupancy rate and average housing prices of the Group have both significantly decreased, resulting in significant operating losses. As the December 31, 2022, the Group's accumulated deficit had reached the capital stock of (259)%, and the debt ratio is 92%. The amount of current liabilities exceeds current assets of \$512,810 thousand. For relevant disclosures on liquidity risk, please refer to Note 6(20). Our opinion is not modified in respect of this matter.

Other Matter

The consolidated financial statements of the Group for the year ended December 31, 2021 were audited by another CPA, and an unqualified audit report with emphasis of matter or other matter paragraphs was issued on March 28, 2022, which is available for reference.

The Company has prepared its parent-company-only financial statements as of and for the year ended December 31, 2022, on which we have issued an unqualified opinion with emphasis of matter paragraph or other 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.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Lin-Fang, Wu and Wen-Hsin, Lo.

MOORE STEPHENS DaHua (Taiwan) CPAs

March 23 2023

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditor's audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditor's audit report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)
GREEN WORLD HOTELS CO., LTD. AND SUBSIDIARIES
Consolidated Balance sheet
December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollar)

Assets	December 31, 2022		December 31, 2021		Liabilities and Equity	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets:					Current liabilities:				
1100 Cash and cash equivalents (Note6(1))	\$ 246,299	7	221,268	6	2100 Short-term borrowings (Note6(7) and 7)	\$ 350,000	11	390,000	10
1150 Notes receivable, net (Note6(2) (15) and 7)	319	-	424	-	2130 Current contract liabilities (Note6(15))	24,519	1	28,095	1
1170 Accounts receivable, net (Note6(2) (15) and 7)	19,669	1	17,649	-	2150 Notes payable	464	-	633	-
1220 Current tax assets	62	-	114	-	2170 Accounts payable (Note7)	26,364	1	22,250	1
1476 Other current financial assets (Note6(6))	1,035	-	1,022	-	2200 Other payable (Note6(3) and 7)	26,088	1	19,356	1
1479 Other current assets	10,187	-	15,035	-	2280 Current lease liabilities (Note6(9) and 7)	349,585	11	346,037	9
	<u>277,571</u>	<u>8</u>	<u>255,512</u>	<u>6</u>	2320 Current portion of long-term borrowings (Note6(8) and 7)	11,667	-	-	-
Non-current assets:					2399 Other current liabilities	1,694	-	1,649	-
1600 Property, plant and equipment (Note6(3))	714,040	22	808,617	22		<u>790,381</u>	<u>25</u>	<u>808,020</u>	<u>22</u>
1755 Right-of-use assets (Note6(4))	2,059,667	64	2,414,556	65	Non-current liabilities:				
1780 Intangible assets (Note6(5))	46,856	1	65,051	2	2540 Long-term borrowings (Note6(8) and 7)	198,333	6	50,000	1
1840 Deferred tax assets (Note6(12))	39,582	1	39,582	1	2580 Non-current lease liabilities (Note6(9) and 7)	2,030,053	61	2,380,546	64
1980 Other non-current financial assets (Note6(6) 7 and 8)	147,603	4	147,344	4	2645 Guarantee deposits	1,588	-	1,608	-
	<u>3,007,748</u>	<u>92</u>	<u>3,475,150</u>	<u>94</u>		<u>2,229,974</u>	<u>67</u>	<u>2,432,154</u>	<u>65</u>
Total assets	\$ 3,285,319	100	3,730,662	100	Total liabilities	<u>3,020,355</u>	<u>92</u>	<u>3,240,174</u>	<u>87</u>
					Equity attributable to owners of parent (Note6(13))				
					3100 Capital stock	219,457	7	1,097,283	30
					3200 Capital surplus	604,393	18	604,393	16
					3310 Legal reserve	8,943	-	8,943	-
					3350 Accumulated deficit	(567,829)	(17)	(1,220,131)	(33)
					Total equity	<u>264,964</u>	<u>8</u>	<u>490,488</u>	<u>13</u>
					Total liabilities and equity	<u>\$ 3,285,319</u>	<u>100</u>	<u>3,730,662</u>	<u>100</u>

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

(English Translation of Financial Statements Originally Issued in Chinese)

GREEN WORLD HOTELS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of comprehensive income

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollar)

	2022		2021	
	Amount	%	Amount	%
4000 Operating revenues (Note6(15) and 7)	\$ 546,279	100	391,664	100
5000 Operating costs (Note6(3) 、(4) 、(5) 、(11) and 7)	640,057	117	583,703	149
Gross loss from operations	<u>(93,778)</u>	<u>(17)</u>	<u>(192,039)</u>	<u>(49)</u>
Operating expenses (Note6(3) 、(4) 、(5) 、(9) 、(11) and 7) :				
6100 Selling expenses	61,971	11	53,049	14
6200 Administrative expenses	36,976	7	39,209	10
Operating expenses	<u>98,947</u>	<u>18</u>	<u>92,258</u>	<u>24</u>
6515 Net other income (expenses) (Note6(17))	26,139	5	34,339	9
Operating income (expenses)	<u>(166,586)</u>	<u>(30)</u>	<u>(249,958)</u>	<u>(64)</u>
Non-operating income and expenses (Note6(3) 、(5) 、(9) 、(18) and 7)				
7100 Total interest income	1,478	-	1,095	-
7020 Other gains and losses, net	2,879	1	(39,113)	(10)
7050 Finance costs	(63,295)	(12)	(69,497)	(18)
	<u>(58,938)</u>	<u>(11)</u>	<u>(107,515)</u>	<u>(28)</u>
7900 Loss before income tax	(225,524)	(41)	(357,473)	(92)
7950 Less: Income tax expenses (Note6(12))	-	-	5,008	1
Loss	<u>(225,524)</u>	<u>(41)</u>	<u>(362,481)</u>	<u>(93)</u>
8300 Other comprehensive income, net	-	-	-	-
8500 Comprehensive income	<u>\$ (225,524)</u>	<u>(41)</u>	<u>(362,481)</u>	<u>(93)</u>
Profit attributable to:				
8610 Owners of parent	<u>\$ (225,524)</u>	<u>(41)</u>	<u>(362,481)</u>	<u>(93)</u>
Comprehensive income attributable to:				
8710 Owners of parent	<u>\$ (225,524)</u>	<u>(41)</u>	<u>(362,481)</u>	<u>(93)</u>
Loss per share(Note6(14))				
9710 Basic loss per share (NT dollars)	<u>\$ (10.28)</u>		<u>(16.52)</u>	
9810 Diluted loss per share (NT dollars)	<u>\$ (10.28)</u>		<u>(16.52)</u>	

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

(English Translation of 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, 2022 and 2021

(Expressed in thousands of New Taiwan Dollar)

	Equity attributable to owners of parent					Total equity
	Capital stock	Capital surplus	Retained earnings		Total equity attributable to owners of parent	
			Legal reserve	accumulated deficit		
Balance on January 1, 2021	\$ 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)
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)	490,488	490,488
Balance on January 1, 2022	\$ 1,097,283	604,393	8,943	(1,220,131)	490,488	490,488
Loss for the year ended December 31, 2022	-	-	-	(225,524)	(225,524)	(225,524)
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-
Comprehensive income for the year ended December 31, 2022	-	-	-	(225,524)	(225,524)	(225,524)
Capital Reduction	(877,826)	-	-	877,826	-	-
Balance on December 31, 2022	\$ 219,457	604,393	8,943	(567,829)	264,964	264,964

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

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

Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollar)

	2022	2021
Cash flows from operating activities:		
Loss before tax	\$ (225,524)	(357,473)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	435,652	454,519
Amortization expense	18,314	18,834
Interest expense	63,295	69,497
Interest income	(1,478)	(1,095)
Impairment loss on non-financial assets	41	40,639
Loss from disposal of property, plant and equipment	-	127
Loss from disposal of intangible assets	-	115
Gain on lease termination	-	(27)
Rent concessions	(22,627)	(65,388)
Total adjustments to reconcile profit	493,197	517,221
Changes in operating assets and liabilities:		
Notes receivable	105	145
Accounts receivable	(2,020)	2,082
Other current assets	4,848	(2,996)
Other financial assets	(13)	18
Contract liabilities	(3,576)	14,771
Notes payable	(169)	153
Accounts payable	4,114	(195)
Other payable	2,771	(3,699)
Other current liabilities	45	968
Total changes in operating assets and liabilities	6,105	11,247
Total adjustments	499,302	528,468
Cash inflow generated from operations	273,778	170,995
Interest received	1,478	1,095
Interest paid	(63,025)	(69,497)
Income taxes (paid) refunded	52	(19)
Net cash flows from operating activities	212,283	102,574
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(4,291)	(4,444)
Acquisition of intangible assets	(119)	(1,611)
Other financial assets	(259)	5,827
Net cash (used in) generated from investing activities	(4,669)	(228)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(40,000)	40,000
Increase (decrease) in guarantee deposits received	(20)	480
Proceeds from long-term debt	160,000	50,000
Payment of lease liabilities	(302,563)	(274,670)
Net cash used in financing activities	(182,583)	(184,190)
Net increase (decrease) in cash and cash equivalents	25,031	(81,844)
Cash and cash equivalents at beginning of year	221,268	303,112
Cash and cash equivalents at end of year	\$ 246,299	221,268

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

Independent Auditors' Report

To the Board of Directors of Green World Hotels 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, 2022, the statements of comprehensive income, changes in equity and cash flows for the year 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, 2022, and its financial performance and its cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis of 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 for the year ended December 31, 2022. 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(8), 4(9) and 4(10) for the accounting policy on “Property, plant and equipment”, “Leases” and “Intangible assets”; 5(1) for the significant accounting assumptions and judgments; and 6(4), 6(5) and 6(6) for information on “Property, plant and equipment”, “Leases” and “Intangible assets”.

Description of key audit matters:

As of December 31, 2022, the carrying amount of right-of-use assets, intangible assets, property, plant and equipment constitute 87% 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(12) and 6(16) 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 reasonableness.

Emphasis of Matter

Due to the impact of government tourism policies and industry environment, the occupancy rate and average housing prices of the Company have both significantly decreased, resulting in significant operating losses. As the December 31, 2022, the Company's accumulated deficit had reached the capital stock of (259)%, and the debt ratio is 92%. The amount of current liabilities exceed current assets of \$512,810 thousand. For relevant disclosures on liquidity risk, please refer to Note 6(21). Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of the Company for the year ended December 31, 2021 were audited by another CPA, and an unqualified audit report with emphasis of matter or other matter paragraphs was issued on March 28, 2022, which is available for reference.

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 controls 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 controls.
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 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 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 footnote disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentations.
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 the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Lin-Fang, Wu and Wen-Hsin, Lo.

MOORE STEPHENS DaHua (Taiwan) CPAs
March 23, 2023

Notes to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and financial statements, the Chinese version shall prevail.

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

Balance sheet

December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollar)

Assets	December 31, 2022		December 31, 2021		Liabilities and Equity	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets:					Current liabilities:				
1100 Cash and cash equivalents (Note6(1))	\$ 246,299	7	221,268	6	2100 Short-term borrowings (Note6(8) and 7)	\$ 350,000	11	390,000	10
1150 Notes receivable, net (Note6(2) (16) and 7)	319	-	424	-	2130 Current contract liabilities (Note6(16))	24,519	1	28,095	1
1170 Accounts receivable, net (Note6(2) (16) and 7)	19,669	1	17,649	-	2150 Notes payable	464	-	633	-
1220 Current tax assets	62	-	114	-	2170 Accounts payable (Note7)	26,364	1	22,250	1
1476 Other current financial assets (Note6(7))	1,035	-	1,022	-	2200 Other payable (Note6(4) and 7)	26,088	1	19,356	1
1479 Other current assets	10,187	-	15,035	-	2280 Current lease liabilities (Note6(10) and 7)	349,585	11	346,037	9
	<u>277,571</u>	<u>8</u>	<u>255,512</u>	<u>6</u>	2320 Current portion of long-term borrowings (Note6(9) and 7)	11,667	-	-	-
Non-current assets:					2399 Other current liabilities	1,694	-	1,649	-
1600 Property, plant and equipment (Note6(4))	714,040	22	808,617	22		<u>790,381</u>	<u>25</u>	<u>808,020</u>	<u>22</u>
1755 Right-of-use assets (Note6(5))	2,059,667	64	2,414,556	65	Non-current liabilities:				
1780 Intangible assets (Note6(6))	46,856	1	65,051	2	2540 Long-term borrowings (Note6(9) and 7)	198,333	6	50,000	1
1840 Deferred tax assets (Note6(13))	39,582	1	39,582	1	2580 Non-current lease liabilities (Note6(10) and 7)	2,030,053	61	2,380,546	64
1980 Other non-current financial assets (Note6(7) 7 and 8)	147,603	4	147,344	4	2645 Guarantee deposits	1,588	-	1,608	-
	<u>3,007,748</u>	<u>92</u>	<u>3,475,150</u>	<u>94</u>		<u>2,229,974</u>	<u>67</u>	<u>2,432,154</u>	<u>65</u>
Total assets	\$ 3,285,319	100	3,730,662	100	Total liabilities	3,020,355	92	3,240,174	87
					Equity attributable to owners of parent (Note6(14))				
					3100 Capital stock	219,457	7	1,097,283	30
					3200 Capital surplus	604,393	18	604,393	16
					3310 Legal reserve	8,943	-	8,943	-
					3350 Accumulated deficit	(567,829)	(17)	(1,220,131)	(33)
					Total equity	<u>264,964</u>	<u>8</u>	<u>490,488</u>	<u>13</u>
					Total liabilities and equity	\$ 3,285,319	100	3,730,662	100

The accompanying notes are an integral part of the financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

GREEN WORLD HOTELS CO., LTD.

Statements of comprehensive income

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollar)

	2022		2021	
	Amount	%	Amount	%
4000 Operating revenues (Note6(16) and 7)	\$ 546,279	100	391,664	100
5000 Operating costs (Note6(4) 、 (5) 、 (6) 、 (12) and 7)	640,057	117	583,703	149
Gross loss from operations	<u>(93,778)</u>	<u>(17)</u>	<u>(192,039)</u>	<u>(49)</u>
Operating expenses (Note6(4) 、 (5) 、 (6) 、 (10) 、 (12) and 7) :				
6100 Selling expenses	61,971	11	53,049	14
6200 Administrative expenses	36,976	7	39,209	10
Operating expenses	<u>98,947</u>	<u>18</u>	<u>92,258</u>	<u>24</u>
6515 Net other income (expenses) (Note6(18))	<u>26,139</u>	<u>5</u>	<u>34,339</u>	<u>9</u>
Operating income (expenses)	<u>(166,586)</u>	<u>(30)</u>	<u>(249,958)</u>	<u>(64)</u>
Non-operating income and expenses (Note6(4) 、 (6) 、 (10) 、 (19) and 7)				
7100 Total interest income	1,478	-	1,090	-
7020 Other gains and losses, net	2,879	1	(39,141)	(10)
7050 Finance costs	(63,295)	(12)	(69,497)	(18)
7070 Share of gain (loss) of subsidiaries accounted for using equity method, net	-	-	33	-
	<u>(58,938)</u>	<u>(11)</u>	<u>(107,515)</u>	<u>(28)</u>
7900 Loss before income tax	<u>(225,524)</u>	<u>(41)</u>	<u>(357,473)</u>	<u>(92)</u>
7950 Less: Income tax expenses (Note6(13))	<u>-</u>	<u>-</u>	<u>5,008</u>	<u>1</u>
Loss	<u>(225,524)</u>	<u>(41)</u>	<u>(362,481)</u>	<u>(93)</u>
8300 Other comprehensive income, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
8500 Comprehensive income	<u>\$ (225,524)</u>	<u>(41)</u>	<u>(362,481)</u>	<u>(93)</u>
Loss per share(Note6(15))				
9710 Basic loss per share (NT dollars)	<u>\$ (10.28)</u>		<u>(16.52)</u>	
9810 Diluted loss per share (NT dollars)	<u>\$ (10.28)</u>		<u>(16.52)</u>	

The accompanying notes are an integral part of the financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

GREEN WORLD HOTELS CO., LTD.
Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollar)

	Capital stock	Capital surplus	Retained earnings			Total equity
			Legal reserve	Accumulated deficit	Total retained earnings	
Balance on January 1, 2021	\$ 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
Balance on January 1, 2022	\$ 1,097,283	604,393	8,943	(1,220,131)	(1,211,188)	490,488
Loss for the year ended December 31, 2022	-	-	-	(225,524)	(225,524)	(225,524)
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	-	-
Comprehensive income for the year ended December 31, 2022	-	-	-	(225,524)	(225,524)	(225,524)
Capital Reduction	(877,826)	-	-	877,826	877,826	-
Balance on December 31, 2022	\$ 219,457	604,393	8,943	(567,829)	(558,886)	264,964

The accompanying notes are an integral part of the financial statements.

GREEN WORLD HOTELS CO., LTD.**Statements of Cash Flows****For the years ended December 31, 2022 and 2021****(Expressed in thousands of New Taiwan Dollar)**

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Loss before tax	\$ (225,524)	(357,473)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	435,652	454,519
Amortization expense	18,314	18,834
Interest expense	63,295	69,497
Interest income	(1,478)	(1,090)
Share of gain of subsidiaries accounted for using equity method	-	(33)
Impairment loss on non-financial assets	41	40,639
Loss from disposal of property, plant and equipment	-	127
Loss from disposal of intangible assets	-	115
Gain on lease termination	-	(27)
Rent concessions	(22,627)	(65,388)
Total adjustments to reconcile profit	<u>493,197</u>	<u>517,193</u>
Changes in operating assets and liabilities:		
Notes receivable	105	145
Accounts receivable	(2,020)	2,082
Other current assets	4,848	(2,996)
Other financial assets	(13)	18
Contract liabilities	(3,576)	14,771
Notes payable	(169)	153
Accounts payable	4,114	(195)
Other payable	2,771	(3,699)
Other current liabilities	45	968
Total changes in operating assets and liabilities	<u>6,105</u>	<u>11,247</u>
Total adjustments	<u>499,302</u>	<u>528,440</u>
Cash inflow generated from operations	273,778	170,967
Interest received	1,478	1,090
Interest paid	(63,025)	(69,497)
Income taxes (paid) refunded	52	(19)
Net cash flows from operating activities	<u>212,283</u>	<u>102,541</u>
Cash flows from (used in) investing activities:		
Proceeds from disposal of subsidiaries	-	4,757
Acquisition of property, plant and equipment	(4,291)	(4,444)
Acquisition of intangible assets	(119)	(1,611)
Other financial assets	(259)	2,827
Net cash (used in) generated from investing activities	<u>(4,669)</u>	<u>1,529</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(40,000)	40,000
Increase (decrease) in guarantee deposits received	(20)	480
Proceeds from long-term debt	160,000	50,000
Payment of lease liabilities	(302,563)	(274,670)
Net cash used in financing activities	<u>(182,583)</u>	<u>(184,190)</u>
Net increase (decrease) in cash and cash equivalents	25,031	(80,120)
Cash and cash equivalents at beginning of year	221,268	301,388
Cash and cash equivalents at end of year	<u>\$ 246,299</u>	<u>221,268</u>

The accompanying notes are an integral part of the financial statements.

Green World Hotels Co., Ltd.

Deficit Compensation Table

2022

Unit: NTD

Item	Amount	Remarks
Deficit to be offset at the beginning of the period	(1,220,130,521)	
Add: Net income after tax of the year	(225,525,432)	
Capital reduction to offset losses for the period	877,826,740	
Deficit to be offset	(567,829,213)	
Appropriation items:		
Statutory reserves	8,942,753	
Capital reserves	558,886,460	
Deficit to be offset at the end of the period	0	

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

Green World Hotels Co., Ltd.
Status of Business Plan of Capital Reduction in 2022.
Oct. 1 to Dec. 31, 2022

Unit: NT\$1,000

Year Items	2022Q4 Actual	2022 Q4 Estimate	Difference
Operating revenue	167,558	155,888	11,670
Operating costs	163,665	168,074	(4,409)
Operating gross profit	3,893	(12,186)	16,079
Operating Expenses	29,533	30,618	(1,084)
Net other income(expenses)	4,411	0	4,111
Net Operating Loss	(21,529)	(42,804)	21,274
Net Non-operating Expenses	(14,046)	(14,913)	867
Net profit before tax	(35,575)	(57,717)	22,141
Income tax expenses	0	0	0
Net profit (loss) of the current period	(35,575)	(57,717)	22,141

The main reasons for the difference between the actual and estimated figures of the Company's sound operating plan for Q42022 are as follows:

I. Operating revenues and costs:

The Central Epidemic Command Center (CECC) announced on October 12, 2022 that the proposed level of COVID-19 travel outbreak was downgraded to Level 2 effective October 13, 2022 at 00:00 hours in response to the relaxation of border control measures to the country and the need for various international exchanges.

Operating income increased by NT\$11,670,000, or 7%, in the fourth quarter of 2022, mainly due to the higher than estimated average room price as a result of the relative slowdown of the epidemic. The slow recovery of the hotel industry in the fourth quarter of 2022 resulted in a lower than expected increase in the Company's front office manpower and a lower than expected increase in actual salaries, laundry and amenities&supplies costs, resulting in a decrease of NT\$4,409,000 or 3% in actual operating costs compared to the budget.

II. Operating expenses

This is mainly due to the slow recovery of the hotel industry in the fourth quarter of 2022, and the Company's back office manpower did not increase as expected, so the actual salary expense was lower than the budget, resulting in a decrease of NT\$1,084,000 or 4% in actual operating

expenses compared to the budget.

III. Net non-operating gain or (expense):

The actual non-operating income in the fourth quarter of 2022 was larger than estimated, mainly because interest income and other income were not estimated in the budget, resulting in an increase in actual non-operating income (expense) of NT\$867,000 or 6% over the budget.

Green World Hotels Co., Ltd.

“Regulations for Election of Directors and Supervisors”

(renamed the “Regulations for Election of Directors”)

Of the Original and the Amended Articles

Name of the regulation after amendment	Name of the regulation before amendment	Description
Green World Hotels Co., Ltd. Regulations for Election of Directors and Supervisors	Green World Hotels Co., Ltd. Regulations for Election of Directors	The Company establish an audit committee in lieu of a supervisor. herefore, the Supervisor's text are deleted.

Amendments	Current Version	Description
Article 1 Elections of directors of this Company shall be conducted in accordance with these Regulations. Omitted below	Article 1 Elections of directors <u>and supervisors</u> of this Company shall be conducted in accordance with these Regulations. Omitted below	The Company establish an audit committee in lieu of a supervisor. Therefore, the Supervisor's text are deleted.
Article 2 Elections of 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. The cumulative voting system shall apply to the elections of directors. 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. The attendance card number of the electors may be used on the ballot	Article 2 Elections of <u>independent</u> 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. <u>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</u>	The Company establish an audit committee in lieu of a supervisor. Therefore, the Supervisor's text and related contents are deleted.

Amendments	Current Version	Description
<p>instead of the name of the electors.</p>	<p><u>that qualified directors and supervisors will be elected.</u></p> <p>The <u>registered</u> cumulative voting system shall apply to the elections of <u>directors and supervisors.</u> 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. <u>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.</u> The attendance card number of the electors may be used on the ballot instead of the name of the electors.</p>	
<p>Article 3</p> <p>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. <u>The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring</u></p>	<p>Article 3</p> <p>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.</p>	<p>Text Correction</p>

Amendments	Current Version	Description
<u>personnel before voting commences.</u>		
<p>Article 4</p> <p><u>The number of directors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.</u></p>	<p>Article 4</p> <p><u>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.</u></p>	<p>The Company establish an audit committee in lieu of a supervisor. Therefore, the Supervisor's text are deleted.</p>
<p>Article 7</p> <p>A ballot is invalid under any of the following circumstances:</p> <p>I. <u>The ballot was not prepared by a person with the right to convene.</u></p> <p>II. <u>A blank ballot is placed in the ballot box.</u></p> <p>III. <u>The writing is unclear and indecipherable or has been altered.</u></p> <p>IV. <u>The candidate whose name is entered in the ballot does not conform to the director candidate list.</u></p> <p><u>Other words or marks are entered in addition to the number of voting rights allotted.</u></p>	<p>Article 7</p> <p><u>A ballot shall be voided and excluded from the votes for any candidate under any one of the following circumstances:</u></p> <p>(1) <u>Ballots not in the form provided in accordance with Article 5 of these Rules</u></p> <p>(2) <u>The number of candidates filled in the ballot exceeding the number of the seats to be elected</u></p> <p>(3) <u>Ballots not cast in the ballot box or are blank when cast in the ballot box.</u></p> <p>(4) <u>Ballots with other written characters or symbols in addition to _____ candidate's _____ name, shareholder's number.</u></p> <p>(5) <u>Illegible writing.</u></p>	<p>Amend this Article in accordance with the provisions of the related laws.</p>

Amendments	Current Version	Description
	(6) <u>The candidate's name in the ballot is inconsistent with the name in the shareholder register.</u>	
<p>Article 9</p> <p>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.</p> <p>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.</p>	<p>Article 9</p> <p>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.</p> <p>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.</p>	<p>The Company establish an audit committee in lieu of a supervisor. Therefore, the Supervisor's text are deleted.</p>
<p>Article 9</p> <p>These Regulations shall be implemented after the approval of the meeting of shareholders. The same shall apply to the amendments thereof.</p> <p>Approved by the extraordinary meeting of shareholders on December 9, 1997.</p> <p>1st amendment made at the AGM on June 23, 2006.</p> <p>2nd amendment made at the AGM on June 15, 2007.</p> <p>3rd amendment made at the AGM on June 26, 2015.</p> <p><u>4th amendment made at the AGM on June 16, 2023.</u></p>	<p>Article 9</p> <p>These Regulations shall be implemented after the approval of the meeting of shareholders. The same shall apply to the amendments thereof.</p> <p>Approved by the extraordinary meeting of shareholders on December 9, 1997.</p> <p>1st amendment made at the AGM on June 23, 2006.</p> <p>2nd amendment made at the AGM on June 15, 2007.</p> <p>3rd amendment made at the AGM on June 26, 2015.</p>	<p>Revision of the amendment date and number of revisions. .</p>

Green World Hotels Co., Ltd.

List of Candidates for Directors and Independent Directors

No.	Shareholder ID	Name	Tax ID No. Citizen ID No.	Number of shareholdings	Major educational attainment (experience)	Remarks
1	5868	Shenyan Investment Co., Ltd. Corporate investor representative: Hsieh, Hsien-Chih	54650677	1,586,100	<p>Education Master's, Graduate Institute of China Studies, Tamkang University Bachelor's degree in Political Science, National Chengchi University</p> <p>Experience Chairman of Green World Hotels Co., Ltd. Chairman of Green World Hotels Co., Ltd. Chairman of Sanpu Travel Group Chairman of new day travel agency Co., ltd. Chairman of san xian travel agency Co., ltd. Chairman of new east travel agency Co., ltd. Chairman of Sakura Travel Agency Co., Ltd. Chairman of starlight travel agency Co., ltd. Chairman of Green World Co., Ltd. Chairman of Nian Fu Investment Co., Ltd. Chairman of Sanjin Integrated Marketing Co., Ltd. Chairman of Tse Yu Kee Co., Ltd.</p>	Director Candidate
2	6234	H.I.S. Hotel Holdings Co., Ltd. Corporate investor representative: Hoshi.Yasuhiko	11111111	11,192,291	<p>Education Department of Foreign Languages, Dokkyo University</p> <p>Experience H.I.S. Hotel Holdings Co., Ltd. Director H.H.H. USA inc. President H.H.H. Korea inc. Director VISON Hotel Management Co., Ltd. Director Aquaignis Hotel Asset Co., Ltd. Director</p>	Director Candidate
3	5868	Shenyan Investment Co., Ltd. Corporate Investor Representative: Chang, Shi-Feng	54650677	1,586,100	<p>Education Department of Foreign Languages and Literature, National Sun Yat-Sen University</p> <p>Experience Director, Green World Hotels Co., Ltd. Chairman of Guojing Frozen Food Co., Ltd. Chairman of Xiufeng Industry Co., Ltd.</p>	Director Candidate

No.	Shareholder ID	Name	Tax ID No. Citizen ID No.	Number of shareholdings	Major educational attainment (experience)	Remarks
					Chairman of Xinyao Media Co., Ltd.	
4	5869	Yiyaun Investment Co., Ltd. Corporate Investor Representative: Liu, Tang-Kun	54650661	362,359	Education Department of Political Science, Chinese Culture University Experience Supervisor of Green World Hotels Co., Ltd. Supervisor of She Kai Precision Co., Ltd. Director of CONN-TEK ELECTRONICS INC. Responsible Person of Xinge Biotechnology Co., Ltd. Municipal Advisor of Taichung City Government	Director Candidate
5		Liu, Shui-Sheng	G1XXXXX576	0	Education PhD in Economics, The International University of Kagoshima, Japan Experience Independent Director of Green World Hotels Co., Ltd. Chairperson of HELIN Trading CO., LTD. Member of the Zhongshan District Mediation Committee, Taipei City Municipal Advisor of Taipei City Government Lecturer, Faculty of Economics, Kagoshima Kokusai University, Japan	Independent director Candidate
6		Wu, Yi-Tsai	E1XXXXX073	0	Education : Department of Law, National Taiwan University Experience : Independent Director of Green World Hotels Co., Ltd. Director and legal executive Lawyer of YUN DAH International Law Office Attorney-in-Charge, Chu-Ting-Bo-Da Law Firm Attorneys-at-Law, Chen Shih Yung Law Firm Attorneys-at-Law, Tung-Li Attorneys-at-Law Attorneys-at-Law, Wen-Wen Law Firm	Independent director Candidate
7		Zhang, Yu	T1XXXXXX41	0	Education : Bachelor's degree in Political Science, National Chengchi University National Chengchi University Institute of Public Administration Experience : Ministry of Justice Investigation	Independent Director Candidate

No.	Shareholder ID	Name	Tax ID No. Citizen ID No.	Number of shareholdings	Major educational attainment (experience)	Remarks
					Bureau Regional Associate, Cathay United Bank General Manager of Berry Biotechnology Vice President of Yuanta Bank Executive General Manager of Yuanta Venture Capital	

Green World Hotels Co., Ltd.

Details of Motion to terminate the non-competition restrictions imposed
on the new directors

Title	Name	Competition Behavior
Chairman	Representative of Shenyan Investment Co., Ltd.: Hsieh, Hsien-Chih	Chairman of Sanpu Travel Group Chairman of new day travel agency Co., ltd. Chairman of san xian travel agency Co., ltd. Chairman of new east travel agency Co., ltd. Chairman of Sakura Travel Agency Co., Ltd. Chairman of starlight travel agency Co., ltd. Chairman of Green World Co., Ltd. Chairman of Nian Fu Investment Co., Ltd. Chairman of Sanjin Integrated Marketing Co., Ltd. Chairman of Tse Yu Kee Co., Ltd.
Director	H.I.S. Hotel Holdings Co., Ltd Representative: Hoshi.Yasuhiko	H.I.S. Hotel Holdings Co., Ltd. Director H.H.H. USA inc. President H.H.H. Korea inc. Director VISON Hotel Management Co., Ltd. Director Aquaignis Hotel Asset Co., Ltd. Director
Director	Shenyan Investment Co., Ltd. Corporate Investor Representative: Chang, Shi-Feng	Chairman of Guojing Frozen Food Co., Ltd. Chairman of Xiufeng Industry Co., Ltd. Chairman of Xinyao Media Co., Ltd.
Director	Yiyaun Investment Co., Ltd. Corporate Investor Representative: Liu, Tang-Kun	Director of CONN-TEK ELECTRONICS INC. Responsible Person of Xinge Biotechnology Co., Ltd. Municipal Advisor of Taichung City Government
Independent director	Liu, Shui-Sheng	Chairperson of HELIN Trading CO., LTD.

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.

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.

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 Audit committee

Article 15

The Company has 5-9 directors, 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.

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 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 audit committee 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 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.
The thirty amendment was made on June 23, 2022.

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:

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

Green World Hotels Co., Ltd.

Shareholdings of all directors

- I. The total paid-in capital of the Company: NT\$219,456,690
The total number of issued shares of the Company: 21,945,669 shares.
- II. The statutory shares of all directors: 2,633,480 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 18 2023

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	Shenyang Investment Co., Ltd. Representative: Hsieh Hsien-Chih	2020.6.15	3	1,586,100	7.23%
Director	Shenyang Investment Co., Ltd. Representative: Chang, Shi-Feng	2020.6.15	3	1,586,100	7.23%
Director	Yiyaun Investment Co., Ltd. Representative: Liu, Tang-Kun	2020.6.15	3	362,359	1.65%
Director	HIS Hotel Holdings Co., Ltd. Representative: Kodakamine Koji	2020.6.15	3	11,192,291	51%
Independent director	Liu, Shui-Sheng	2020.6.15	3	0	0%
Independent director	Wu, Yi-Tsai	2022.6.15	3	0	0%
Independent director	Chu, Shao-Chin	2022.6.23	3	0	0%
Total shareholdings of all directors				13,140,750	59.88%