

# 2025 Annual Shareholders' Meeting Minutes

(Translation)

- Time and Date: 9:00 a.m. on June 20, 2025
- Location: No. 528, Section 7, Zhongxiao East Road, Nangang District, Taipei City (Conference Room, 1F, Green World Hotel Nangang)
- The total number of shares present in person or by Proxy in the 2025 Annual General Meeting was 18,376,650 shares (including 11,257,140 votes casted electronically). Percentage of total outstanding GWHs shares (21,945,669) present in person or by proxy is 83.73%.
- Directors Present: Hsieh, Hsien-Chih, Hoshi.Yasuhiko,
- Independent director: Chang, Yu
- Others:Moore –Wu, Hsian-en, lawyer –Hong Yaoqin.
- Chairman: Hsieh, Hsien-Chih

- A. The aggregate shareholding of the shareholders presents in person or by proxy constituted a quorum at 9:00am. The Chairman called the meeting to order.
- B. Chairman's Address: omitted.

### C. Report Items

# Report 1

Report: Review of the Company's 2024 business report.

Explanation: Please refer to Annex 1 of this Handbook for the Company's 2024 Business Report.

## Report 2

Report: Audit Committee's Review Report on the 2024 Financial Statements.

Explanation: Please refer to Annex 2 of this Handbook for the Audit Committee's Review Report on the Company's 2024 financial statements.

## Report 3

Report: Review of the report on the 2024 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. In 2024, the Company distributed employee remuneration of NT\$861,345 and director remuneration of NT\$0, which were paid in cash.

#### Report 4

Report: Review the report on cash dividend distribution for 2024.

#### Explanation

I. This motion was made in accordance with Article 21 of the Articles of Incorporation, authorizing the Board of Directors to resolve on the distribution of dividends and bonuses in the form of cash, and to report such distribution at the shareholders' meeting.

II. A total of NT\$43,891,338 will be allocated for cash dividends to shareholders, with a cash dividend of NT\$2 per share. Cash dividends will be calculated and rounded down to the nearest dollar; amounts less than NT\$1 will be disregarded. The aggregate amount of such fractional remainders will be adjusted based on the decimal value in descending order and the order of shareholder account numbers in ascending order to match the total amount of cash dividends distributed.

III. This motion has been approved by the Board of Directors, and the Chairman is authorized to separately determine the record date for dividend distribution, the payment date, and other related matters. Should any subsequent changes in the Company's capital or other factors affect the number of outstanding shares and result in adjustments to the dividend per share, the Chairman shall be fully authorized to handle such matters accordingly.

#### Report 5

Report: Review the report on the implementation of the plan for capital reduction and sound operation.

#### Explanation

I. In accordance with the Letter Zheng-Gui-Jian-Zi No. 1110012999 dated December 15, 2022 from TPEx and Letter Zheng-Bao-Fa-Zi No. 1110004415 dated October 21, 2022 from the 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. For the implementation status of the Company's plan of capital reduction for solid operation, please refer to Annex 5 of this Handbook.

#### D. Ratification Items

##### Case 1

[Proposed by the Board of Directors]

Proposal: Please ratify the 2024 Business Report and Financial Statements.

#### Explanation:

I. The Company's parent company only financial statements for 2024 have been verified and approved by CPAs Wu, Kun-yi and Wu, Hsian-en of MOORE Taiwan, and an unqualified audit report has been issued and filed together with the business report, and submitted to the Audit Committee for review.

II. Please refer to Attachment 1 and 3 of this Handbook for the Company's 2024 Business Report and Financial Statements.

III. Please ratify.

Resolution: The above proposal be and hereby was adopted as proposed.

Voting Results		% of the total represented share present
Votes For:	18,353,519 votes (11,250,009 votes)	99.87%
Votes Against:	5,212 votes	0.02%

	(5,212 votes)	
Votes Invalid:	none	0.00%
Votes Abstained:	17,919 votes (17,919 votes)	0.09%

\*including votes casted electronically (numbers in brackets)

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

Case 2

[Proposed by the Board of Directors]

Proposal: Please ratify the 2024 earnings distribution plan

Explanation:

I.Please refer to Attachment 4 of this Handbook for the Company's 2024 earnings distribution plan, which has been approved by the Board of Directors.

II.Please ratify.

Resolution: The above proposal be and hereby was adopted as proposed.

Voting Results	% of the total represented share present
Votes For: 18,353,319 votes (11,249,809 votes)	99.87%
Votes Against: 5,412 votes (5,412 votes)	0.02%
Votes Invalid: none	0.00%
Votes Abstained: 17,919 votes (17,919 votes)	0.09%

\*including votes casted electronically (numbers in brackets)

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

#### E. Discussion Items

Case 1

[Proposed by the Board of Directors]

Explanation

I.Certain articles of the Company's Articles of Incorporation have been amended in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act and the FSC's Order Jin-Guan-Zheng-Fa-Zi No. 1130385442.

II.Please refer to Attachment 6 of this Handbook for the comparison table of the "Articles of Incorporation" before and after amendment.

III.Please discuss and verify.

Resolution:

Voting Results	% of the total represented share present
Votes For: 18,353,316 votes (11,249,806 votes)	99.87%
Votes Against: 5,415 votes (5,415 votes)	0.02%
Votes Invalid: none	0.00%
Votes Abstained: 17,919 votes (16,000 votes)	0.09%

F. Extraordinary Motions : None

G. Adjournment : This meeting is closed at 9:14 am.

※ There were no questions from shareholders at the meeting.

## Business Report

In 2024, the hotel industry in Taiwan is facing market changes and numerous challenges. With the reopening of borders, a wave of revenge travel surged in 2023; however, entering 2024, the boom has gradually subsided, the travel market has returned to normal, and structural adjustments are underway.

The Tourism Administration originally projected 12 million tourist arrivals in 2024, but the estimate was eventually revised downward to 7.5 million, indicating that the market recovery has fallen short of expectations. In particular, the Japanese and Chinese markets, which previously accounted for the highest proportion of inbound tourists to Taiwan, have both experienced slower-than-expected recovery. Japanese travelers, affected by the depreciation of JPY, face significantly higher overseas travel costs, resulting in inbound visitors to Taiwan recovering to only 60% of the 2019 level; Chinese travelers, due to cross-strait political tensions, still face restrictions on individual and group travel, with inbound visitors reaching only 15% of the 2019 level.

Additionally, natural disasters such as the major earthquake in Hualien and Taitung in April and multiple typhoons hitting Taiwan have further suppressed tourists' willingness to visit, leading to a decline in hotel demand in Taipei City and impacting the overall tourism and accommodation market. However, fortunately, the long-delayed Taipei Dome was finally officially opened in 2024. Starting in March, it hosted multiple baseball games, with the WBSC Premier 12 tournament in November drawing peak crowds. In December, a series of large-scale concerts marked the official beginning of performing arts events.

The Company has been actively cultivating the domestic travel market since the pandemic period. In 2024, it further leveraged the advantages of its hotels' proximity to event venues and convenient transportation, combined with high-speed rail joint ticket sales strategies, successfully attracting travelers to stay, filling the gap caused by the decline in foreign tourists, and effectively improving occupancy rates and revenue performance. The Company will continue to enhance its competitiveness and market appeal by implementing diversified strategies and integrating distinctive local events.

Currently, the Company's hotels are all located in Taipei City. At the end of 2024 the Company has 15 hotels (including Qingtian and Xiemei). With the recovery of the tourism market, the Company's total operating revenue in 2024 was NT\$1,066,421 thousand, an increase of 9% compared with 2023. The net profit for the current period of 2024 was NT\$96,546 thousand, an increase of 95% compared with 2023. The 2024 business results of the Company is as follows:

### I. Business results

#### (I) Business implementation results

Unit: NT\$1,000

Item	Year	2023	2024
Operating revenue		978,346	1,066,421
Operating costs		719,073	751,325
Operating gross profit		259,273	315,096
Operating net profit		110,968	170,347
Non-operating gain or loss		(48,933)	(48,159)
Net profit before tax		62,035	122,188
Net profit of the current period		49,628	96,546

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

#### (III) Financial analysis:

Unit: %

Item	Year	2023	2024
Financial structure	Ratio of debts to assets	89.71	85.75
	Percentage of long-term funds to property, plant and equipment	360.11	382.28
Solvency	Current ratio	47.15	59.50
	Quick ratio	45.83	58.19
Management capacity	Receivables turnover (number of times)	25.97	20.31
	Average number of cash received days	14.05	17.97
Profitability	Return on assets	3.10	4.77
	Return on equity	17.13	26.61
	Ratio of net profit before tax to paid-up capital	28.27	55.68
	Profit margin	5.07	9.05
	Earnings per share (dollars)	2.26	4.40

(IV) R&D status: The Company's main business operations are general 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:

The peak of “revenge travel” has passed, but the travel market continues to develop steadily, and traveler demand is trending toward diversification and immersive experiences. However, under numerous uncertainties such as labor shortages, inflationary pressures, and fluctuations in the international economic market, the pace of recovery remains to be seen.

The number of tourists visiting Taiwan in 2024 was 7,857,686, an increase of 21% compared with 2023. The main tourist data in Taiwan in 2023 and 2024 are as follows:

Unit: Person

Region	Number of tourists visiting Taiwan in 2023	Number of tourists visiting Taiwan in 2024	Increase (decrease) ratio %	Increase (or decrease) of number of person
Southeast Asia	2,253,483	2,365,391	5	111,908
Hong Kong and Macau	1,199,572	1,310,977	9	111,405
Japan	928,235	1,319,592	42	391,357
Korea	744,727	1,003,086	35	258,359
Mainland China	226,269	438,212	94	211,943
Others	1,134,665	1,420,428	25	285,763
Total	6,486,951	7,857,686	21	1,370,735

Source: Tourism Administration, M.O.T.C

The comparison of supply in hotels in 2024 compared with 2023 is as follows:

A total of 4 new legally licensed general hotels were added in Taipei City and New Taipei City, increasing the number of rooms by 97, indicating a positive growth outlook for future hotel supply.

## III. Summary of the 2024 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. Integration of group resources: Effective use of our own resources and combined with the Company's largest shareholder, the well-known Japanese tourism group H.I.S., which has strong cross-regional customer gathering capabilities to quickly obtain accommodation needs from tourists from Hong Kong, Macao, Japan, South Korea, China, Southeast Asia and other countries.
2. Strengthen the domestic market: By strengthening cooperation with Funnow, the first instant entertainment platform in Taiwan, we provide diversified membership services and increase tourist stickiness. We also work with companies such as Taiwan High Speed Rail to create diversification among hotels and enhance our domestic competitive advantages.
3. Minimize room inventory: Through the assistance of the joint reservation center, more efficient room vacancy control can be achieved. At the same time, sales of short-stay and late-night bookings are being strengthened, utilizing a regional room allocation mechanism to maximize support across locations and reduce the number of vacant rooms daily.
4. Operation process efficiency and system optimization: Conduct an in-depth review and redesign of workflows across the headquarters and each department, evaluate the implementation of self-service kiosks, and optimize corresponding systems to improve work efficiency and address the challenge of long-term labor shortages.
5. Strengthen talent acquisition and training: Establish cooperation with the government, colleges and universities and related enterprises to provide employees with more vocational training opportunities and increase their multi-functional capabilities. Meanwhile, we actively expand internship and job opportunities at home and abroad to establish a strong talent pool.
6. Effective use of idle space: By effectively utilizing the vacant space in each hotel, we can create income from non-accommodation sources and increase the overall revenue of the group.

### (II) Mid to Long-term Strategy

1. Actively stabilizing the hotel business: Ensure the steady recovery of the hotel business, while continuing to improve service quality to attract more repeated visits of customers and word-of-mouth effects.
2. Invest in related industries: Consider investing in and developing tourism-related industries based on the hotel business to create multiple sources of income and provide tourists with a more wholesome experience.

3. Expand new locations: During the pandemic, operations of 5 hotels were terminated to reduce losses. As the hotel industry gradually recovers, new locations will be reopened and added. In addition to evaluating the stability of business in Taipei City, active assessments of hotel development in other counties and cities will be conducted to increase repeat customers through a broader network of locations.
4. Planning of new business models: Actively plan and design new business models to increase overall revenue. May include introducing digital technology to provide more customized services to meet ever-changing market needs.
5. Increase efficiency of operation team: Re-evaluate and adjust the composition of the management team to establish a highly efficient and multi-tasking operation team to cope with business challenges.
6. Introduce strategic investors: Consider the introduction of investors with strategic aspect to jointly participate in the design and development of business models to enhance the Company's competitiveness and accelerate revenue growth.
7. Promote sustainable transformation: Low-carbon tourism and green tourism have gradually become tourism trends, and we are planning to obtain green tourism-related labels and certifications to respond to future customer needs for sustainable development.

### (III) Conclusions

After the wave of revenge travel following the pandemic, people's travel planning mindset has gradually eased and become more rational. Compared to the domestic outbound travel boom, inbound tourism recovery has been limited due to the depreciation of JPY and the continued restrictions on Chinese travelers entering Taiwan, resulting in a noticeable tourism trade deficit between inbound and outbound arrivals. In the past, the main sources of inbound travelers to Taiwan were from China, Japan, South Korea, Hong Kong and Macau, and Southeast Asia. It is estimated that only Hong Kong and Macau, South Korea, and Southeast Asia will continue to recover. Due to political factors, Taiwan had not reopened travel to Chinese citizens as of October 2024, causing a stagnation in tourism recovery; meanwhile, Japan has continued to promote domestic travel post-pandemic, and the significant depreciation of JPY since the pandemic has increased overseas travel costs, resulting in low willingness among Japanese travelers to travel abroad. Fortunately, relevant government agencies have again launched the "World Project" for Southeast Asian countries, simplifying the entry process for ASEAN tourists into Taiwan and strengthening the solicitation of Southeast Asian customers. South Korea has benefited from an increased number of flights between Taiwan and South Korea, leading to a rapid recovery of travelers.

Furthermore, the impact of the epidemic in the past three years has led to the suspension of cross-border tourism. Taipei's hotel industry, which makes its major revenue from customers from foreign countries, has significantly reduced its manpower in order to reduce costs. Many employees in related industries have switched or left their jobs during the epidemic, creating a manpower gap upon the industry recovery, and the replenishment and deployment of manpower cannot keep up with the recovery of demand, making it unable to return to the manpower level before the epidemic in a relevant short period of time.

Based on the above analysis, although the hotel industry has passed its most difficult period, the recovery has not been as rapid as expected. Coupled with adverse factors such as labor shortages and rising costs due to inflationary pressures, the hotel industry in 2025 may still not fully return to pre-pandemic levels. However, it is expected to continue developing positively in the long term. The Company has formulated comprehensive and practical short, medium and long-term strategies for stable recovery after the epidemic. In the short- to mid-term, we focus on improving operational efficiency through integrating group resources, strengthening the domestic market, and minimizing room inventory to ensure rapid response and adaptation in a highly competitive market. Meanwhile, the Company's overall efficiency and diversified revenue sources will be further enhanced through optimization of operating processes and systems, talent acquisition and training, and effective use of idle spaces. In the medium and long term, we will focus on continuing to stabilize the hotel business, while pursuing more comprehensive development through measures such as investing in other income sources, expanding our spots in other counties and cities, and planning new business models, and adjusting the management infrastructure including improving the efficiency of the operating team and introducing strategic investors to ensure that the Company can more flexibly respond to future market challenges and achieve stable long-term growth.

Green World Hotels Co., Ltd.  
Chairman: Hsieh, Hsien-Chih  
General Manager: Tsui, Chieh-Min  
CAO: Peng Fei-xiu

# Green World Hotels Co., Ltd.

## Audit Committee's Review Report

The Company's Board of Directors has submitted the 2024 Business Report, Earnings Distribution Statement, and Financial Statements audited and certified by CPAs Wu, Kun-Yi and Wu, Hsien-En of Moore Stephens DaHua (Taiwan) CPAs. After review by the Audit Committee, it is deemed to comply with the Company Act and other relevant laws. Therefore, in accordance with Article 219 of the Company Act, it is respectfully submitted for review.

Sincerely yours,

Green World Hotels Co., Ltd. 2025 Annual General Shareholders' Meeting

Convener of Audit Committee:

March 13, 2025



## Independent Auditors' Report

To 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, 2024, and 2023, 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, 2024 and 2023, and its financial performance and its cash flows for the year ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (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 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, of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters are addressed in the context of our audit of the financial statements, 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 note 4(10) for the accounting policy; Note 5 for the significant accounting assumptions and judgments; and note 6(4), 6(5) and 6(6) for information on “Property, plant and equipment”, “Right-of-use assets” and “Intangible assets”.

#### Description of key audit matters:

As of December 31, 2024, the carrying amount of right-of-use assets, intangible assets, and, property, plant, and equipment constitute 77% of the total assets of the Company. The management is required to assess the impairment of the aforementioned assets in accordance with International Financial Reporting Standards (IFRS). Due to the significant assessment involved, the auditors consider the impairment of assets to be a key audit matter.

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

Regarding the key audit matter mentioned above, the executed response procedures include:

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 such as expected growth rate, discount rate, 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(11) 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. The revenue from room services constitutes 91% of the total revenue in 2024, which is significant for the financial statements. Therefore, the revenue from room services is a key audit matter.

#### 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.

### **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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (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 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 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 based on 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.

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 Kuen-Yi Wu and Hsien-En Wu.

MOORE STEPHENS DaHua (Taiwan) CPAs  
March 13, 2025

#### 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.

		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note6(1))	\$ 298,982	10	264,463	9	2100	Short-term borrowings (Note6(8) and 7)	\$ 270,000	9	310,000	10
1136	Financial assets measured at amortized cost-current (Note6(2))	115,000	4	60,000	2	2130	Current contract liabilities (Note6(16))	29,304	1	29,599	1
1160	Notes receivable from related parties (Note6(3) 、(16) and 7)	13,625	1	12,510	-	2150	Notes payable	510	-	324	-
1170	Accounts receivable, net (Note6(3) 、(16))	22,158	1	32,096	1	2170	Accounts payable (Note7)	55,544	2	50,132	2
1180	Accounts receivable from related parties (Note6(3) 、(16) and 7)	13,869	1	10,733	-	2200	Other payable (Note6(4) and 7)	33,575	1	29,249	1
1200	Other receivables	1,548	-	1,123	-	2230	Current tax liabilities	1,204	-	-	-
1220	Current tax assets	416	-	190	-	2280	Current lease liabilities (Note6(10) and 7)	337,179	12	340,365	11
1479	Other current assets	10,536	-	11,016	-	2320	Current portion of long-term borrowings (Note6(9) and 7)	70,000	3	70,000	2
		476,134	17	392,131	12	2399	Other current liabilities	2,866	-	1,935	-
								800,182	28	831,604	27
Non-current assets:						Non-current liabilities:					
1600	Property, plant and equipment (Note6(4))	545,239	19	617,727	20						
1755	Right-of-use assets (Note6(5))	1,678,882	58	1,821,106	60	2540	Long-term borrowings (Note6(9) and 7)	58,334	2	128,333	4
1780	Intangible assets (Note6(6))	11,912	-	28,957	1	2580	Non-current lease liabilities (Note6(10) and 7)	1,612,242	56	1,779,042	59
1840	Deferred tax assets (Note6(13))	2,737	-	27,175	1	2645	Guarantee deposits	2,609	-	2,499	-
1980	Other non-current financial assets (Note6(7) 、7 and 8)	169,601	6	168,974	6			1,673,185	58	1,909,874	63
		2,408,371	83	2,663,939	88		Total liabilities	2,473,367	86	2,741,478	90
							Equity (Note6(14))				
						3100	Capital stock	219,457	8	219,457	7
						3200	Capital surplus	45,507	1	45,507	1
						3310	Legal reserve	4,963	-	-	-
						3350	Unappropriated earnings	141,211	5	49,628	2
							Total equity	411,138	14	314,592	10
Total assets		\$ 2,884,505	100	3,056,070	100	Total liabilities and equity		\$ 2,884,505	100	3,056,070	100

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

**GREEN WORLD HOTELS CO., LTD.****Statements of comprehensive income****For the years ended December 31, 2024 and 2023****(Expressed in thousands of New Taiwan Dollar)**

		2024		2023	
		Amount	%	Amount	%
4000	<b>Operating revenues (Note6(16) and 7)</b>	\$ 1,066,421	100	978,346	100
5000	<b>Operating costs (Note6(4)、(5)、(6)、(12) and 7)</b>	751,325	70	719,073	73
	<b>Gross profit from operations</b>	315,096	30	259,273	27
	<b>Operating expenses (Note6(4)、(5)、(6)、(10)、(12) and 7) :</b>				
6100	Selling expenses	100,426	10	108,678	11
6200	Administrative expenses	44,323	4	41,149	4
	<b>Operating expenses</b>	144,749	14	149,827	15
6515	<b>Net other income (Note6(18))</b>	-	-	1,522	-
	<b>Operating income</b>	170,347	16	110,968	12
	<b>Non-operating income and expenses (Note6(4)、(10)、(19) and 7)</b>				
7100	Total interest income	4,884	-	3,300	-
7020	Other gains and losses, net	3,368	-	8,410	1
7050	Finance costs	(56,411)	(5)	(60,643)	(6)
	<b>Total non-operating income and expenses</b>	(48,159)	(5)	(48,933)	(5)
7900	<b>Income before income tax</b>	122,188	11	62,035	7
7950	<b>Less: Income tax expenses (Note6(13))</b>	25,642	2	12,407	1
	<b>Net income</b>	96,546	9	49,628	6
8300	<b>Other comprehensive income, net</b>	-	-	-	-
8500	<b>Comprehensive income</b>	<b>\$ 96,546</b>	<b>9</b>	<b>49,628</b>	<b>6</b>
	<b>Earnings per share(Note6(15))</b>				
9750	<b>Basic earnings per share (NT dollars)</b>	<b>\$ 4.40</b>		<b>2.26</b>	
9810	<b>Diluted earnings per share (NT dollars)</b>	<b>\$ 4.40</b>		<b>2.26</b>	

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, 2024 and 2023**  
**(Expressed in thousands of New Taiwan Dollar)**

				Retained earnings	
	Capital stock	Capital surplus	Legal reserve	Unappropriated earnings (accumulated deficit)	Total equity
<b>Balance on January 1, 2023</b>	\$ 219,457	604,393	8,943	(567,829)	264,964
Net income for the year ended December 31, 2023	-	-		49,628	49,628
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	-
Comprehensive income for the year ended December 31, 2023	-	-	-	49,628	49,628
Legal reserve for cover accumulated deficit	-	-	(8,943)	8,943	-
Capital surplus for cover accumulated deficit	-	(558,886)	-	558,886	-
<b>Balance on December 31, 2023</b>	<b>\$ 219,457</b>	<b>45,507</b>	<b>-</b>	<b>49,628</b>	<b>314,592</b>
<b>Balance on January 1, 2024</b>	\$ 219,457	45,507	-	49,628	314,592
Appropriation and distribution of retained earnings:					
Legal reserve appropriated	-	-	4,963	(4,963)	-
Net income for the year ended December 31, 2024	-	-	-	96,546	96,546
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	-
Comprehensive income for the year ended December 31, 2024	-	-	-	96,546	96,546
<b>Balance on December 31, 2024</b>	<b>\$ 219,457</b>	<b>45,507</b>	<b>4,963</b>	<b>141,211</b>	<b>411,138</b>

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 Cash Flows**

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

**(Expressed in thousands of New Taiwan Dollar)**

	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Income before tax	\$ 122,188	62,035
<b>Adjustments:</b>		
Adjustments to reconcile profit:		
Depreciation expense	428,272	431,071
Amortization expense	18,148	18,260
Interest expense	56,411	60,643
Interest income	(4,884)	(3,300)
Impairment loss on non-financial assets	22	-
Total adjustments to reconcile profit	497,969	506,674
Changes in operating assets and liabilities:		
Notes receivable from related parties	(1,115)	(12,191)
Accounts receivable	9,938	(13,551)
Accounts receivable from related parties	(3,136)	(9,609)
Other receivables	(425)	(88)
Other current assets	(164)	(829)
Contract liabilities	(295)	5,080
Notes payable	186	(140)
Accounts payable	5,412	23,768
Other payable	1,241	6,091
Other current liabilities	931	241
Total changes in operating assets and liabilities	12,573	(1,228)
Total adjustments	510,542	505,446
Cash inflow generated from operations	632,730	567,481
Interest received	4,884	3,300
Interest paid	(57,011)	(60,542)
Income taxes paid	(226)	(128)
<b>Net cash flows from operating activities</b>	<b>580,377</b>	<b>510,111</b>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets measured at amortized cost	(55,000)	(60,000)
Acquisition of property, plant and equipment	(18,545)	(7,313)
Acquisition of intangible assets	(459)	(361)
Increase in refundable deposits	(627)	(21,371)
Net cash used in investing activities	(74,631)	(89,045)
<b>Cash flows from (used in) financing activities:</b>		
Decrease in short-term loans	(40,000)	(40,000)
Increase in guarantee deposits received	110	911
Repayments of long-term loans	(69,999)	(11,667)
Payment of lease liabilities	(361,338)	(352,146)
Net cash used in financing activities	(471,227)	(402,902)
Net increase in cash and cash equivalents	34,519	18,164
Cash and cash equivalents at beginning of year	264,463	246,299
Cash and cash equivalents at end of year	<b>\$ 298,982</b>	<b>264,463</b>

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

# Green World Hotels Co., Ltd.

## Profit distribution table

### 2024

Unit: NTD

Items	Amount	Remarks
Beginning undistributed earnings	44,665,817	
Add: Net income after tax of 2024	96,545,832	
Distributable retained earnings of the current period	141,211,649	
Less: 10% for legal reserve	(9,654,583)	
Distribution items:		
Shareholders' dividend	(43,891,338)	Cash dividends of NT\$2 per share
Year-end undistributed retained earnings	87,665,728	

Chairman: Hsieh Hsien-Chih

General Manager: Hsieh Hsien-Chih

CAO: Peng Fei-Xiu



**Green World Hotels Co., Ltd.**  
**Implementation of the plan for capital reduction and sound operation**  
**From January 1 to December 31, 2024**

Unit: NT\$1,000

	Actual Number	Projected Number	Amount of difference	Variance %
Operating revenue	1,066,421	1,041,798	24,623	2
Operating costs	751,325	812,769	(61,444)	(8)
Operating gross profit	315,096	229,029	86,067	38
Operating expenses	144,749	146,545	(1,796)	(1)
Operating net profit	170,347	82,484	87,863	107
Net non-operating gain or (expense)	(48,159)	(52,120)	3,961	8
Net profit before tax	122,188	30,364	91,824	302
Income tax expense	25,642	0	25,642	NA
Net profit of the current period	96,546	30,364	66,182	218

The main reasons for the difference between the actual number and the budgeted number of the Company's sound business plan for 2024 are as follows:

**I. Operating revenues and costs:**

Operations in 2024 faced significant challenges due to earthquakes and extreme climate events. Additionally, JPY did not appreciate as expected, resulting in persistently high overseas travel costs for Japanese travelers, causing the number of visitors to Taiwan to recover to only 60% of the pre-pandemic level in 2019. Meanwhile, due to cross-strait political tensions, as of the end of 2024, China had not yet reopened group travel to Taiwan, and individual travel had not fully resumed, resulting in the number of Chinese visitors to Taiwan reaching only 14% of the 2019 level.

Despite this, the Company actively expanded the domestic travel market during the pandemic and collaborated with THSR to sell combined accommodation and rail tickets. With the full opening of the Taipei Dome, which has sparked a surge in sports events and entertainment performances, the Company has fully leveraged the advantages of its hotels' proximity to event venues and convenient transportation, successfully attracting domestic and international travelers and maintaining revenue growth. Resulting in actual operating revenue for 2024 exceeding the budget by NT\$24,623 thousand, a growth of 2%.

The Company also effectively controlled labor costs, which account for the highest proportion of operating expenses. In addition to adjusting manpower supplementation plans based on reservation status, the Company improved organizational efficiency by streamlining workflows. As a result, labor and other costs were effectively controlled, leading to actual operating costs in 2024 decreasing by NT\$61,444 thousand compared to the budget, a reduction of 8%.

**II. Operating expenses:**

During the pandemic, the e-commerce industry developed rapidly, and people gradually formed the habit of booking flights and accommodations through online channels. After the pandemic ended, the Company's online booking ratio has remained stable at around 65%, with most of these travelers paying by credit card. However, due to increased credit card processing fees by acquiring banks this year, related expenses exceeded the original estimates.

Additionally, commissions have long accounted for a significant proportion of operating expenses. To improve cost efficiency, the Company actively adjusted the sales mix across channels and continuously optimized official website sales strategies. As a result, actual commission expenses in 2024 decreased compared to the budget, leading to an overall reduction of NT\$1,796 thousand in operating expenses, a decrease of 1%.

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

The actual non-operating revenue in 2024 was higher than the budget mainly because the budget did not estimate interest revenue and other revenue. As a result, the actual net non-operating revenue (expense) decreased by NT\$3,961 thousand or 8% compared to the budget.

## Green World Hotels Co., Ltd.

### Comparison table of the provisions of the Articles of Incorporation before and after amendment

Articles after amendment	Articles before amendment	Description
<p>Article 22</p> <p>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. Of the aforementioned employee remuneration amount, <u>no less than 80% shall be allocated to entry-level employees. Employee remuneration may be distributed in the form of stock or cash, and recipients may include employees of subsidiaries who meet certain conditions. The conditions and methods of distribution shall be authorized by the Board of Directors. The preceding two paragraphs shall be resolved by the Board of Directors and reported to the shareholders' meeting.</u></p>	<p>Article 22</p> <p>If the Company has profit in the current year, it shall reserve 0.7% to 10% for the employee's remuneration and the directors and supervisors' remuneration shall not be more than 1%. However, if the Company still has accumulated losses, the amount shall be reserved in advance.</p> <p>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.</p>	Amended in accordance with laws and regulations
<p>Article 26</p> <p>This regulation was stipulated on July 19, 1994.</p> <p>The first amendment was made on October 15, 1994.</p> <p>The second amendment was made on December 21, 1995.</p> <p>The third amendment was made on April 1, 1996.</p> <p>The fourth amendment was made on September 2, 1996.</p> <p>The fifth amendment was made on March 17, 1997.</p> <p>The sixth amendment was made on July 22, 1998.</p> <p>The seventh amendment was made on December 18, 2000.</p> <p>The eighth amendment was made on May 15, 2002.</p> <p>The ninth amendment was made on June 30, 2003.</p> <p>The tenth amendment was made on May 14, 2004.</p> <p>The eleventh amendment was made on May 14, 2004.</p> <p>The twelfth amendment was made on February 21, 2005.</p> <p>The thirteenth amendment was made on June 23, 2006.</p> <p>The fourteenth amendment was made on December 12, 2006.</p> <p>The fifteenth amendment was made on June 15, 2007.</p> <p>The sixteenth amendment was made on December 5, 2007.</p> <p>The seventeenth amendment was made on June 13, 2008.</p> <p>The eighteenth amendment was made on June 19, 2009.</p> <p>The nineteenth amendment was made on June 22, 2012.</p> <p>The twentieth amendment was made on June 21, 2013.</p> <p>The twenty-first amendment was made on August 12, 2013.</p> <p>The twenty-second amendment was made on December 30, 2013.</p> <p>The twenty-third amendment was made on December 30, 2013.</p> <p>The twenty-fourth amendment was made on June 25, 2014.</p> <p>The twenty-fifth revision was made on June 26, 2015.</p> <p>The twenty-sixth revision was made on made June 13, 2016.</p> <p>The twenty-seventh amendment was on made December 15, 2016.</p> <p>The twenty-eighth amendment was made on June 26, 2018.</p> <p>The twenty-ninth amendment was made on June 28, 2019.</p> <p>The thirtieth amendment was made on June 23, 2022.</p> <p><u>The thirty-first amendment was made on June 20, 2025.</u></p>	<p>Article 26</p> <p>This regulation was stipulated on July 19, 1994.</p> <p>The first amendment was made on October 15, 1994.</p> <p>The second amendment was made on December 21, 1995.</p> <p>The third amendment was made on April 1, 1996.</p> <p>The fourth amendment was made on September 2, 1996.</p> <p>The fifth amendment was made on March 17, 1997.</p> <p>The sixth amendment was made on July 22, 1998.</p> <p>The seventh amendment was made on December 18, 2000.</p> <p>The eighth amendment was made on May 15, 2002.</p> <p>The ninth amendment was made on June 30, 2003.</p> <p>The tenth amendment was made on May 14, 2004.</p> <p>The eleventh amendment was made on May 14, 2004.</p> <p>The twelfth amendment was made on February 21, 2005.</p> <p>The thirteenth amendment was made on June 23, 2006.</p> <p>The fourteenth amendment was made on December 12, 2006.</p> <p>The fifteenth amendment was made on June 15, 2007.</p> <p>The sixteenth amendment was made on December 5, 2007.</p> <p>The seventeenth amendment was made on June 13, 2008.</p> <p>The eighteenth amendment was made on June 19, 2009.</p> <p>The nineteenth amendment was made on June 22, 2012.</p> <p>The twentieth amendment was made on June 21, 2013.</p> <p>The twenty-first amendment was made on August 12, 2013.</p> <p>The twenty-second amendment was made on December 30, 2013.</p> <p>The twenty-third amendment was made on December 30, 2013.</p> <p>The twenty-fourth amendment was made on June 25, 2014.</p> <p>The twenty-fifth revision was made on June 26, 2015.</p> <p>The twenty-sixth revision was made on made June 13, 2016.</p> <p>The twenty-seventh amendment was on made December 15, 2016.</p> <p>The twenty-eighth amendment was made on June 26, 2018.</p> <p>The twenty-ninth amendment was made on June 28, 2019.</p> <p>The thirtieth amendment was made on June 23, 2022.</p>	Addition of amendment date and number