

【Stock code: 2702】



# Hotel Holiday Garden

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## Handbook for 2022 Annual meeting of shareholders

Type of Meeting : Physical Meeting

Time: June 15, 2022

Venue: No. 1, Zhong'an Rd., Qianzhen Dist., Kaohsiung  
City 806, Taiwan (R.O.C.)

(Holiday Garden Hotel Kaohsiung Taroko Park)

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# **Hotel Holiday Garden**

## **The 2022 Annual Meeting of Shareholders**

1.Meeting procedures

1.Call the meeting to order

2.Speech by the Chairman

3.Management Presentation

4.Proposals

5.Discussion

6.Questions and motions

7. Elections

8.Adjournment

# **Hotel Holiday Garden**

## **The 2022 Annual Meeting of Shareholders**

### **2.Meeting agenda**

Time : June 15,2022 ( Wednesday ) 10:30

Place: No. 1, Zhong'an Rd., Qianzhen Dist., Kaohsiung

City 806, Taiwan (R.O.C.)

1.Call the meeting to order

2.Speech by the Chairman

3.Management presentations

(1) 2021 Business Report

(2) Report on the 2021 Financial Statements

(3)The 2021 Employees' bonus and directors' remuneration report

4.Acknowledgments

(1)Adoption of the 2021 Business Report and Financial Statements

(2)Adoption of the Proposal for Distribution of 2021 Profits.

5.Discussions

(1) Proposal for issuing of new share through profits.

(2) Amendments to the Company's Articles of Incorporation.

(3) Amendment to the Operational Procedures for Acquisition and Disposal of Assets.

(4) Amendment to the Rules of Procedure for Shareholder Meetings.

6. Elections

(1) General re-election of directors

7.Proposals and motions

8.Adjournment

### 3. Management Presentations

Report No.1: The 2021 Business report

Explanation: Please refer to pages 4-7 of this handbook

Report No. 2:Audit committee 's Review Report on the 2021 Financial Statements ◦

Explanation: Audit committee's Review Report on the 2021 Financial Statements, please refer to page 8 of this handbook

Report No.3:The distribution of remuneration of the employees and directors.

Explanation:1.Pursuant to the articles 39, distribute 0.1%, employee's remuneration, NTD1,670,678, by cash; and no distribution of remuneration of directors and supervisors.

2. Remuneration of NTD1,670,678 and the estimation of 0 was made in 2021,a difference of NTD1,670,678 is by estimation, the change in accounting estimates will be classified as profit and loss for the next year.No paymentfor the directors and supervisors,and there is no difference in the 2021 estimation.

3.Proposal is passed by the Board, and according to the law,the case is reportedat the meeting of shareholders, and the procedures of distribution is assigned to the Chairman.

Hotel Holiday Garden  
Business report

Dear ladies and gentlemen:

Thank you for participating in the 2022 annual meeting of the shareholders, and thank you for your support and trust in the company.

Under the great impact on the environment and keen competition, we thank all the directors and all the staff for their concerted efforts. Thank you for your hard work.

This year, the company will continue to adhere to high service quality, improve software and hardware facilities, actively promotes various marketing activities, and develops diversified products through various sales channels to deepen and develop markets to create better performance.

Our current six hotels operations in the U.S. are not doing so well due to the general environment and the new coronavirus. Together with our executives, we will continue to work with all of our employees in the hope that we can weather the impact of this outbreak together and generate more profits for our shareholders.

## 1. Business results

### (1) Operating Plan Implementation Results

The Group's consolidated operating revenues for 2021 totaled NT\$854,158 thousand; room revenues were NT\$825,098 thousand and restaurant revenues were NT\$24,158 thousand.

### (2) Consolidated financial statements

#### 1. Analysis of Financial revenue and profitability

Unit: NT thousand dollars

Items analyzed		The year		
		2021	2020	
Financial Revenue and expense	Net operating revenue	854,158	741,703	
	Gross profit	711,183	513,685	
	Net profit	1,826,282	(270,309)	
Profitability	Return of assets(%)	24.51	(5.21)	
	Return of equity (%)	98.18	(24.01)	
	Operating Income to Capital Stock to pre-tax income to capital(%)	(9.53)	(18.05)	19.88
		162.26	(44.70)	2.56
	Net profit margin(%)	213.81	(36.44)	
	Earnings per share (dollar)	16.53	(2.45)	

#### 2. The net asset liabilities

As of December 31, 2022, the Group had total assets of NT\$8,607,434 thousand, total liabilities of NT\$5,849,236 thousand, or 68% of total assets, and total net assets of NT\$2,758,198 thousand, or 32% of total assets.

### 3. Profits and losses:

The Group's gross profit for fiscal 2021 was NT\$711,183 thousand and net profit after tax was NT\$1,826,282 thousand.

The net income was NT\$1,826,282 thousand and the net profit margin was 213.81%.

### (3) Budget and execution

Operating income for fiscal 2021 is NT\$854,158 thousand and the budget is NT\$981,560 thousand. Net income before tax was NT\$1,792,726 thousand, and the estimated net loss before tax was NT\$135,367 thousand.

### (4) Status of R&D: Not applicable

### (5) Summary of business plan for the current year

#### (A) Annual business policy

1. Diversification of food and beverage, specialization of hotel themes, construction of a new map of hotel and restaurant.
2. Continuously cultivate marketing talents to enhance the exposure rate.
3. Expand the company's business and develop customer sources.
4. Continue to expand overseas business locations to increase business income.
5. Change the procurement method to reduce the cost of business.
6. Flexibly deploy funds to stabilize the company's financial structure.

(B) Influenced by the external competitive environment, regulations and general business environment.

In 2021, the tourism industry will be affected by the epidemic, and the

government is encouraging domestic travel before the international epidemic subsides. Therefore, in order to cooperate with the national tourism policy, to gain a deeper understanding of local culture and cuisine, and to provide vitality and impetus to the national tourism market, the Company is still facing the uncertainty of the future epidemic with a strict attitude of epidemic prevention, and to provide the best service to incoming tourists. With the development of the epidemic, the Company will continue to adjust its future operation, diversify its sales, launch many special offers and actively develop the catering business to showcase a more diversified and richer dining and accommodation experience. The epidemic in the United States is under control and the vaccination rate is high. In the fourth quarter, the Company purchased six new hotels in the United States, and with the gradual recovery of the economy and the steady growth of operations, the Company's room revenue and food and beverage revenue will be boosted.

Chairperson of the Board: Chen Hai-ni

Manager: Chen Hai-ni

Accounting Director: Yu Su-ling

# **Hotel Holiday Garden**

## **Audit Report from the Auditing Committee**

The Board is expected to send the 2021 company's annual business report including the individual financial report, the consolidated financial report, and the proposal of surplus distribution. Upon the inspection of the Audit Committee, and no discrepancy found, and the report is prepared according to Article 14-4 of the Securities & Exchange Act and Article 219 of the Company Act, the aforementioned financial statements and documents are fairly presented as stated.

Regards

The 2022 Annual Meeting of Shareholders of Hotel Holiday Garden

Auditing Committee

GUO-YIN LU, Convener

March 24,2022

## 4. Proposals

Report No.1: (proposed by the Board)

Proposal: To acknowledge the company's 2021 financial statements

Explanation: The 2021 company's personal financial report and consolidated financial report were completed by Wang, Kuo-hua and Lin, Yung-chih, accountant of PricewaterhouseCoopers Taiwan, who verified the reports. The business report is also completed and verified by the Audit Committee. Please refer to page 13-38 of the handbook. (Attachment 1 and 2). There is no discrepancy, and a verification report is issued.

Resolution:

Report No. 2 : (proposed by the Board)

Proposal: Adoption of the Proposal for Distribution of 2020 profits and losses.

Explanation: 1. The distribution table of 2021 profits is completed and approved by the Audit Committee, the distribution is as attached. Please refer to page 39 of this handbook (Appendix 3).

2. Distribution of shareholder dividends will be carried out after the resolution of the shareholders' meeting is made, the Board is authorized to set a separate ex-dividend, ex-rights date, distribution date and other issues.

3. The current cash profit is calculated base on the distribution ratio, and it will round up to dollar, and if it is less than a dollar, the distribution will be zero, and the allocation of less than one dollar is included in the company's other income.

Resolution:

## 5. Discussion

Report No.1: (proposed by the Board)

Proposal : : Proposal for a new share issue through capitalization of earnings. Please proceed to discuss.

Explanation: : The company intends to issue NT386,699,383 dollars of shareholder dividends from the 2021 distributable surplus, with a denomination of NT\$10 per share. The shareholding ratio is recorded base on the registration date of the shareholder, and about 350 shares will be distributed

free of charge for every holding of 1000 shares.

If the allotment is less than one share, the shareholder can try to make it up within 5 days from the date of the share placement, and if it is still less than one share, base on the stock denomination it will be converted to cash, work out to dollar, (not considered when less than a dollar), and authorize the director to contact specific person to buy back, base on its denomination value.

2. Dividends to shareholders are calculated up to the number of shares and are rounded down to the number of shares. The amount of the distribution is included in other income of the Company
3. The rights and obligations of new shares are the same as those of the original shares.
4. The distribution of new shares will be discussed during the shareholders meeting and submitted to the competent authority for approval, and authorizes the Board to set a new share placement and issue new shares.

Resolution:

Report No.2: (proposed by the Board)

Proposal : Amendment to the Company's Corporate Charter (Articles of Incorporation).  
Please proceed to discuss.

Explanation: : In order to meet the needs of the amendment of laws and regulations and business development, the company hereby proposes to amend the Corporate Charter. Please refer to pages 40 of the handbook (appendix 4).

Resolution:

Report No.3: (proposed by the Board)

Proposal : Amendment to the Operational procedures for Acquisition and Disposal of Assets. Please proceed to discuss.

Explanation: : In order to conform to the amendment of related law amendment to the operational procedures for Acquisition and Disposal of Assets. Please refer to pages 43 of this handbook (Appendix 5).

Resolution:

Report No.4: (proposed by the Board)

Proposal : Amendment to the Rules of Procedure for Shareholder Meetings. Please proceed to discuss.

Explanation: In order to conform to the amendment of related law amendment to the Rules of Procedure for Shareholder Meetings. Please refer to pages 55 of this handbook (Appendix 6).

Resolution:

## 6. Elections

Report No.1: (proposed by the Board)

Proposal : Election of new directors (election of the 20th Board of directors)

Explanation: 1. The term of the directors is ending on the June 18, 2022.

It is proposed to re-elect In accordance with the law.

2. According to the Articles of Association of the Company, four directors and three independent directors shall be elected for a term of three years and may be re-elected.
3. The term of office of the new directors will be three years from June 15,2022 to June 14,2025.
4. The election was conducted in accordance with the Company's "Procedures for Election of Directors" as described on page 104 of this manual (Appendix 3).
5. Directors (including independent directors) are nominated by candidates, and the names of four directors and three independent directors are as follows:

Classification	Name	Number of shares held	Education	Current job
Director	Chen Haini Representative of YENJUAN INTERNATIONAL CO., LTD.	21,427,377	Bachelor, Tamkang University	HOLIDAY GARDEN CORP. Chairperson
Director	Lin Shuhui Representative of YENJUAN INTERNATIONAL CO., LTD.	21,427,377	Bachelor, Tamkang University	HOLIDAY GARDEN CORP. Deputy General Manager
Director	Chen Zengdong Representative of YENJUAN INTERNATIONAL CO., LTD.	21,427,377	M. S., University of Southern California, USA	HOLIDAY GARDEN U. S. VP
Director	Li Baoshang	67,970	PKVS	Changfeng Driving Training Course Chairperson
Independent director	Li Dezhu	0	Bachelor, Ching-Yi University	Head of Liangde Accounting Firm
Independent director	Li Qinglin	0	Bachelor, Tunghai University	Co-partner of Crowe Accounting Firm
Independent director	Lu Guoyin	15,946	Kun San University	HOLIDAY GARDEN CORP. Independent director

## 7. Questions and motions

## 8. Adjournment

## Attachment 1

The accountant's audit report and the financial statement of 2021 The  
accountant's audit report

For Hotel Holiday Garden

(2022) Financial Review No. 21004726

## Opinion

We have audited the following financial statements of Holiday Garden International Ltd.: The parent company only balance sheets of December 31, 2021 and 2020, the parent company only statements of comprehensive income of January 1 to December 31 of 2021 and 2020, the parent company only statements of changes in equity, the parent company only statements of cash flows, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material aspects, the financial position of Holiday Garden International Ltd. as at December 31, 2021 and 2020 and its financial performance and cash flows for the period from January 1 to December 31 of 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

## Basis for opinion

We conducted the audit in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the generally accepted auditing standards in the Republic of China. Our responsibilities under those rules and standards are described in the section of the responsibilities of accountants auditing parent company only financial statements. Personnel of our accounting firm subject to the independent requirements have complied with the code of professional ethics of certified public accountants of the Republic of China, stayed fully independent of Holiday Garden Hotel Co., Ltd, and fulfilled other responsibilities in accordance with the code. We believe that we have obtained adequate and appropriate audit evidence to form the basis of our audit opinion.

## Key audit matters

Key audit matters refer to the most significant matters, according to our professional judgment, in the 2021 parent company only financial statements of Holiday Garden International Ltd. These matters were

addressed during the audit of the overall parent company only financial statements and in the formation of our opinion. We do not express our opinion on these matters separately.

We determine the following key audit matters of the parent company only financial statements of 2021 of the Holiday Garden International Ltd.:

Evaluation of investment impairment accounted for using the equity method :

### **Investment which adopting to Equity method — Business Mergers and Acquisitions**

#### Description

Adopted to Equity method of accounting policy, please refer to parent company financial report note4(12). Descriptions of investment which adopting to equity method of accounting policy, please refer to parent company financial report note6(4). Subsidiaries of Holiday Garden International Ltd. Acquired SpringHill Suites by Marriott San Jose Fremont with 1,156,684,000 NTD on December 09, 2021 which adopting accounting policy. Due to the significant estimation of management and purchase price allocation, the mergers and acquisition amount is material of this year, we recognized the mergers and acquisitions of subsidiary as one of major audit program of this year.

#### Corresponding audit program

1. Understand and evaluate the internal control procedures of Holiday Garden Hotel Co., Ltd. and its subsidiaries' investment transactions, and review the relevant documents of the board of directors to confirm that the investment project has been implemented in accordance with the relevant procedures
2. Review the M&A transaction contract and check the payment voucher to confirm the acquisition consideration.
3. Obtain the price apportionment report of the M&A case, assess the independence of external experts, review the data used in the report, and evaluate the valuation methods and important assumptions used in the report to evaluate the reasonableness of the purchase price apportionment.

### **Adopting to Equity method “Impairment evaluation of investment”**

#### Description

For accounting policies on investments accounted for using the equity method, please refer to Note 4(12) of the parent company only financial statements. For accounting estimation and assumption uncertainty of evaluation of investment impairment accounted for using the equity method, please refer to Note 5(2) of the

parent company only financial statements. For investment using the equity method, please refer to Note 6(4) of the parent company only financial statements.

As of December 31, 2021, the property, plant and equipment and intangible assets of the US subsidiary of Holiday Garden Hotel Co., Ltd. totaled NT\$4,750,825,000, accounting for 55% of the total consolidated assets. Due to the abundance of various types of accommodation hotels in recent years, fierce competition in the hotel industry, and the impact of the novel coronavirus pneumonia epidemic, the management identified signs that the real estate, plant and equipment and intangible assets of some subsidiaries may have been impaired. The company uses estimated future cash flows and discounts using an appropriate discount rate to measure the recoverable amount of these assets as a basis for assessing whether there is impairment. As the aforementioned estimates of future cash flows involve a number of assumptions, which may have a significant impact on the measurement of the recoverable amount, the accountant will use the equity method for investment impairment assessment (the US subsidiary's property, plant and equipment and intangible assets impairment assessment). is listed as one of the important items in the audit this year.

#### Corresponding audit program

We have implemented the following audit program corresponding to the aforementioned audit matter. :

1. Understand and evaluate the management's operating procedures for estimating future cash flows of subsidiaries, including reviewing that the operating plan for the next year is consistent with the approval of the board of directors
2. Assess the reasonableness of key assumptions used by management to estimate future cash flows.
3. Evaluate the rationality of various parameters and discount rates used in calculating the recoverable amount.

#### **Responsibilities of management and those charged with governance for the parent company only financial statements**

The responsibilities of management are to prepare appropriately stated parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Management is also responsible for maintaining necessary internal control relevant to the preparation of the parent company only financial statements to ensure that the parent company only financial statements are free from material misstatement by fraud or error ◦

Management when preparing parent company only financial statements is also responsible for evaluating Holiday Garden International Ltd.'s ability to continue as a going concern, disclosing relevant

matters, and using the going concern basis of accounting unless management intends to liquidate Holiday Garden International Ltd., to cease the operations, or to liquidate or to have no feasible alternatives but to do so °

### **Account's responsibilities for the audit of parent company only financial statements**

The objectives of accounts for auditing parent company only financial statements are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from any material misstatement due to fraud or error and to issue an accountant's report accordingly. Reasonable assurance refers to a high level of assurance, but there is no guarantee that accountants performing in accordance with the generally accepted auditing standards of the Republic of China can detect any material misstatement from the parent company only financial statements. Misstatements may arise from fraud or errors. A misstated dollar amount, individually or in the aggregate, that could be reasonably predicted to influence the economic decision of the user of the parent company only financial statements can be viewed as material.

In accordance with the generally accepted auditing standards of the Republic of China, we exercised professional judgment and maintained professional skepticism throughout the audit. We also performed the following tasks :

1. We identified and assessed the risks of material misstatement of the parent company only financial statements, whether due to fraud or errors, designed and performed audit procedures according to those risks, and obtained audit evidence that can sufficiently and appropriately form the basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for the one resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. We obtained an understanding of internal control relevant to the audit in order to design audit procedures suitable for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Holiday Garden International Ltd.'s internal control.
3. We evaluated the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and related disclosures made by management.
4. We concluded on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on Holiday Garden International Ltd.'s ability to continue as a going concern based on the audit evidence we have obtained. If we conclude that a material uncertainty exists, we will need to draw attention in our accountant's report to the related disclosures in the parent company only financial statements or to modify our opinion if such disclosures are inadequate. Our conclusions are based on the audit

evidence obtained up to the date of this accountant's report. However, future events or conditions may cause Holiday Garden International Ltd. to cease to continue as a going concern.

5. We evaluated the overall presentation, structure and contents of the parent company only financial statements, including the attached notes, and whether the parent company on financial statements represent the underlying transactions and events in a fair manner.
6. We obtained sufficient and appropriate audit evidence regarding the financial information of entities within Holiday Garden International Ltd. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit of the parent company and are responsible for our audit opinion.

We have communicated with those charged with governance regarding the planned scope and the timing of the audit as well as material audit findings (including significant internal control shortcomings identified in the audit).

We have also provided those charged with governance the statement that the personnel of our accounting firm subject to the requirements of independence have complied with the requirements of independence of the code of professional ethics of certified public accountants of the Republic of China and communicate with those charged with governance relationships and other matters that may influence our independence (including related preventive measures).

We determined the key audit matters of the parent company only financial statements of 2018 of Holiday Garden International Ltd. according to matters communicated with those charged with governance. We described these matters in the accountant's report, unless the laws and regulations prohibit such disclosure or under rare condition that we decide not to communicate a given matter because the negative impact from such communication may override its public benefits under reasonable assumption.

PwC Taiwan

Independent accountants

Wang Guo Hua

Lin Yong Zhi

Former Ministry of Finance Securities and Futures  
Commission

Approval certificate No.: (87) Taiwan Financial Certificate  
(6) No.68790

Financial Supervisory Commission R.O.C.(Taiwan)

Approval certificate No.: Chin Kuan Cheng Shen Tzu No.  
1050029592

March 19, 2022

Holiday Garden International Ltd.  
Parent Company Only Balance Sheet  
December 31 of 2021 and 2020

Unit: NT\$, 000

Assets	Notes	<u>December 31, 2021</u>		<u>December 31, 2020</u>	
		A m o u n t	%	A m o u n t	%
<b>Current assets</b>					
1100	Cash and cash equivalents	\$ 1,267,737	33	\$ 60,874	2
1136	Financial assets at amortized cost - current	966,700	25	973,505	31
1150	Net notes receivable	323	-	-	-
1170	Net accounts receivable	1,376	-	4,099	-
1200	Other accounts receivable	92	-	141	-
1220	Current income tax assets	1,708	-	-	-
130X	Inventories	435	-	925	-
1410	Advance payments	1,211	-	2,586	-
1479	Other current assets - others	402	-	162	-
11XX	<b>Total current assets</b>	<u>2,239,984</u>	<u>58</u>	<u>1,042,292</u>	<u>33</u>
<b>Non-current assets</b>					
1550	Investments accounted for using the equity method	1,529,304	40	1,332,315	43
1600	Property, plants, and equipment	9,440	-	662,177	21
1755	Right-of-use asset	10,602	-	3,396	-
1840	Deferred tax assets	55,762	2	90,695	3
1920	Guarantee deposits paid	1,156	-	733	-
15XX	<b>Total non-current assets</b>	<u>1,606,264</u>	<u>42</u>	<u>2,089,316</u>	<u>67</u>
1XXX	<b>Total Assets</b>	<u>\$ 3,846,248</u>	<u>100</u>	<u>\$ 3,131,608</u>	<u>100</u>

(Next page)

Holiday Garden International Ltd.  
Parent Company Only Balance Sheet  
December 31 of 2021 and 2020

Unit: NT\$1,000

Liabilities and equity	Notes	December 31, 2021		December 31, 2020		
		A m o u n t	%	A m o u n t	%	
<b>Current liabilities</b>						
2100	Short-term borrowings	6(9) and 8	\$ 884,000	23	\$ 1,609,599	51
2110	Short-term notes and bills payable	6(10)	30,000	1	130,000	4
2130	Contractual liabilities - current	6(16)	682	-	8,506	-
2170	Accounts payable		946	-	3,140	-
2200	Other accounts payable		22,544	1	15,183	1
2230	Income tax liabilities		-	-	66	-
2280	Lease Liabilities - Current		2,984	-	1,287	-
2320	Long-term liabilities due within one year or one operating cycle	6(11)	52,196	-	18,597	1
2399	Other current liabilities - others		133	-	2,667	-
21XX	<b>Total current liabilities</b>		<u>955,237</u>	<u>25</u>	<u>1,789,045</u>	<u>57</u>
<b>Non-current liabilities</b>						
2540	Long-term borrowings	6(11)	-	-	13,948	-
2570	Deferred income tax liabilities	6(23)	124,991	3	236,212	8
2580	Lease obligation -non current		7,641	-	2,120	-
2610	Long-term notes and accounts payable	6(5)	-	-	127,577	4
2645	Guarantee deposits received		181	-	755	-
25XX	<b>Total non-current liabilities</b>		<u>132,813</u>	<u>3</u>	<u>380,612</u>	<u>12</u>
2XXX	<b>Total liabilities</b>		<u>1,088,050</u>	<u>28</u>	<u>2,169,657</u>	<u>69</u>
<b>Rights and interests</b>						
<b>Capital stock</b>						
3110	Common share capital	6(13)	1,104,856	29	1,104,856	35
<b>Capital surplus</b>						
3200	Capital surplus		2,169	-	2,169	-
<b>Retained earnings</b>						
3310	Statutory surplus public debt		82,561	2	82,561	3
3320	Special Defined Surplus Bonds		-	-	71,161	2
3350	Undistributed surplus (loss to be covered)		1,714,643	45	( 182,800)	( 6)
<b>Other equity</b>						
3400	Other equity	6(14)	( 146,031)	( 4)	( 115,996)	( 3)
3XXX	<b>Total equity</b>		<u>2,758,198</u>	<u>72</u>	<u>961,951</u>	<u>31</u>
3X2X	<b>Total liabilities and equity</b>		<u>\$ 3,846,248</u>	<u>100</u>	<u>\$ 3,131,608</u>	<u>100</u>

Please refer to notes of parent company only financial statements provided at the end, which is part of this parent company only financial report.

Chairperson of the Board: Chen Hai-ni

Manager: Chen Hai-ni

Accounting Director: Yu Su-ling

Holiday Garden International Ltd.  
Parent Company Only Statement of Comprehensive Income  
January 1 to December 31 of 2021 and 2020

Unit: NT\$1,000

Item	Notes	(Except earnings (loss) per share, which is in NT\$1.00)				
		2020		2021		
		A m o u n t	%	A m o u n t	%	
4000	Operating revenue	6(16)	\$ 10,653	36	\$ 13,018	23
5000	Operating cost	6(3)(21)(22)	( 3,499)	( 12)	( 3,254)	( 6)
5900	Operating gross profit		7,154	66	9,764	17
	Operating expenses	6(21)(22)				
6200	Management expense		( 43,532)	( 145)	( 28,107)	( 49)
6900	Operating loss		( 36,378)	( 121)	( 18,343)	( 32)
	Nonoperating income and					
7100	Interest income	6(17)	2,276	8	12,381	22
7010	Other income	6(18)&7	2,831	9	4,449	8
7020	Other gains and losses	6(19)	( 40,766)	( 136)	( 52,477)	( 92)
7050	Financial cost	6(20)	( 11,190)	( 37)	( 11,857)	( 21)
7070	Share of profit or loss of	6(4)	( 100,13 )	(333)	( 250,43 )	(440)
7000	Total non-operating		( 146,98 )	(489)	( 297,93 )	(523)
7900	<b>Net profit (loss) before tax</b>		( 183,36 )	(610)	( 316,27 )	(555)
7950	Income tax (expense)	6(23)	29,433	98	64,898	114
8000	<b>Net loss of continuing business</b>					
	<b>units for the current</b>		( 153,931 )	(512)	( 251,381 )	(441)
8100	Profits (losses) of closed units	6(8)&12(2)	1,980,213	6593	( 18,928 )	( 33)
8200	<b>Net profit (loss)</b>		<u>\$ 1,826,282</u>	<u>6081</u>	<u>(\$ 270,309)</u>	<u>(474)</u>
	<b>Other comprehensive</b>					
	<b>Items may be subsequently</b>					
8361	Exchange differences on	6(4)	( \$ 37,544)	( 125)	( \$ 71,256)	( 125)
8399	Income tax of items that	6(21)	7,509	25	( 14,251)	( 25)
8300	<b>Other comprehensive</b>		( \$ 30,035)	( 100)	( \$ 57,005 )	( 100)
8500	<b>Total comprehensive</b>		<u>\$ 1,796,247</u>	<u>5981</u>	<u>(\$ 327,314)</u>	<u>( 574)</u>
	<b>Earnings (loss) per share</b>	6(24)				
9710	Net loss from continuing business		(\$ 1.39)		(\$ 2.2)	
9720	Net profit (net loss) of discontinued		(\$ 17.92)		(\$ )	

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Holiday Garden International Ltd.  
Parent Company Only Statement of Comprehensive Income  
January 1 to December 31 of 2021 and 2020

Unit: NT\$1,000

(Except earnings (loss) per share, which is in NT\$1.00)

9750	Basic earnings (loss) per share	16.53	(\$	2.45)
9810	Net loss from continuing business units	(\$ 1.39)	(\$	2.28)
9820	Net profit (net loss) of discontinued units	17.92	(\$	0.17)
9850	Diluted earnings (loss) per share	\$ 16.53	(\$	2.45)

Please refer to notes of parent company only financial statements provided at the end, which is part of this parent company only financial report.

Chairperson of the Board: Chen Hai-ni      Manager: Chen Hai-ni      Accounting Director : Yu Su-ling

Holiday Garden International Ltd.  
Parent Company Only Statements of Changes in Equity  
January 1 to December 31 of 2021 and 2020

Unit: NT\$, 000

Notes	<u>R e t a i n e d e a r n i n g s</u>					Exchange differences o n translation of foreign financial statements	<u>T o t a l</u>
	Share capital - common stock	C a p i t a l Reserve - Issue Premium	S t a t u t o r y - surplus reserve	S p e c i a l surplus reserve	U n d i s t r i b u ted surplus		
<b><u>2020</u></b>							
Balance on January 1, 2020	\$ 1,104,856	\$ 2,169	\$ 82,561	\$ 71,161	\$ 87,509	\$ 58,991	\$ 1,289,265
Current net profit	-	-	-	-	( 270,309 )	-	( 270,309 )
Other comprehensive income for this year	-	-	-	-	-	( 57,005 )	( 57,005 )
Total current comprehensive income	-	-	-	-	( 270,309 )	( 57,005 )	( 327,314 )
Balance, December 31, 2020	<u>\$ 1,104,856</u>	<u>\$ 2,169</u>	<u>\$ 82,561</u>	<u>\$ 71,161</u>	<u>(\$ 182,800)</u>	<u>(\$ 115,996 )</u>	<u>\$ 961,951</u>
<b><u>2021</u></b>							
Balance on January 1, 2021	<u>\$ 1,104,856</u>	<u>\$ 2,169</u>	<u>\$ 82,561</u>	<u>\$ 71,161</u>	<u>(\$ 182,800)</u>	<u>(\$ 115,996 )</u>	<u>\$ 961,951</u>
Net profit for the current period	-	-	-	-	1,826,282	-	1,826,282
Other comprehensive income for this year	-	-	-	-	-	( 30,035 )	( 30,035 )
Total comprehensive profit and loss for the current period	-	-	-	-	1,826,282	( 30,035 )	( 1,796,247 )
Special surplus reserve reversal	-	-	-	( 71,161 )	71,161	-	-
Balance on December 31, 2021	<u>\$ 1,104,856</u>	<u>\$ 2,169</u>	<u>\$ 82,561</u>	<u>\$ --</u>	<u>\$ 1,714,643</u>	<u>(\$ 146,031 )</u>	<u>\$ 2,758,198</u>

Please refer to notes of parent company only financial statements provided at the end, which is part of this parent company only financial report.

Chairperson of the Board: Chen Hai-ni

Manager: Chen Hai-ni

Accounting Director: Yu Su-ling

Holiday Garden Hotel Co., Ltd.  
Parent Company Only Cash Flow Statement  
January 1 to December 31 of 2021 and 2020

Unit: NT\$1,000

**Cash flows from operating activities**

Net loss before tax of continuing business units		( \$	244,116 )	( \$	469,900 )
Net profit before tax (net loss) of discontinued units	6(8)		<u>2,036,842</u>	(	<u>23,960</u> )
Net profit before tax (net loss) for the current period			1,792,726	(	493,860 )
Adjust item					
Income expense item					
Expected credit impairment (benefits) losses	12(2)	(	808 )		667
Depreciation expense	6(4)(5)(22)		198,045		210,080
Amortized expense	6(6)(22)		48,365		49,923
Lease modification benefits	6(5)(20)	(	14 )	(	16 )
Interest expenses	6(21)		125,260		140,215
Interest income	6(18)	(	3,397 )	(	15,983 )
Disposal of property, plant and equipment interests	6(20)		2,052,593 )		-
Impairment losses on non-financial assets	6(7)(20)		2,083		132,975
Changes in assets/liabilities related to operating activities					
Net change in assets related to operating activities					
Bills receivable		(	323 )		1,438
Accounts Receivable		(	6,090 )		7,928
Other receivables			190	(	355 )
Inventory			391		67
Prepayments			717	(	2,157 )
Other current assets - other		(	236 )		98
Net change in liabilities related to operating activities					
Contract liabilities - current		(	7,351 )	(	7,084 )
Bills payable			-	(	322 )
Accounts Payable		(	1,898 )		692
Other payables			21,295	(	36,839 )
Other current liabilities - other		(	2,431 )		346
Cash inflows (outflows) from operations			113,931	(	12,187 )
Interest received			3,445		18,716
Interest paid		(	124,392 )	(	142,425 )
Income tax refunded			22,777		5,187
Income tax paid		(	97,749 )		-
Net cash outflow from operating activities		(	81,988 )	(	131,009 )

**Cash flow from investing activities**

Financial assets at amortized cost – decrease in current		\$	5,789	\$	25,481
Financial assets at amortized cost – non-current increase		(	85,295 )		-
Acquisition of business	6(26)	(	1,156,684 )		-
Acquisition of property, plant and equipment	6(27)	(	132,454 )	(	3,464 )
Disposal of property, plant and equipment		(	2,700,376 )		-
Acquire intangible assets	6(6)	(	708 )		-
Increase in prepaid equipment		(	12,305 )	(	105,227 )
Increased margin deposit		(	423 )	(	2,111 )
Other non-current assets - other (increase) decrease		(	43 )		11
Net cash inflows (outflows) from investing activities			<u>1,318,253</u>	(	<u>85,310</u> )

**Cash flow from financing activities**

Short-term borrowing increases	6(28)		2,274,401		1,791,099
Short-term borrowings decrease	6(28)	(	3,000,000 )	(	1,711,500 )
Short-term notes payable decreased	6(28)	(	100,000 )		-
Lease principal repayment	6(28)	(	6,470 )	(	4,730 )
Long-term loan	6(28)		1,589,281		1,060,660
Repay long-term loan	6(28)	(	699,777 )	(	1,125,967 )
Decreased deposits		(	574 )	(	615 )
Net cash inflow from financing activities			56,861		8,947
Effects of Exchange Rate Changes		(	34,880 )	(	45,454 )
Increase (decrease) in cash and cash equivalents in the current period			1,258,246	(	252,826 )
Cash and cash equivalents at end of period	6(1)		<u>887,011</u>	\$	<u>1,139,837</u>
Closing balance of cash and cash equivalents	6(1)	\$	<u>2,145,257</u>	\$	<u>887,011</u>

Holiday Garden Hotel Co., Ltd.  
Parent Company Only Cash Flow Statement  
January 1 to December 31 of 2021 and 2020

Unit: NT\$1,000

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
Increase in cash and cash equivalents		( 31,094 )	60,999
Cash and cash equivalents, beginning of the period	6(1)	91,968	30,969
Cash and cash equivalents, end of the period	6(1)	<u>\$ 60,874</u>	<u>\$ 91,968</u>

Please refer to notes of parent company only financial statements provided at the end, which is part of this parent company only financial report. °

Chairperson of the Board: Chen Hai-ni

Manager: Chen Hai-ni

Accounting Director : Yu Su-ling

## Attachment 2

Independent auditor's review report on the 2021 consolidated financial statements Independent accountant's audit report

(2022) Tsai Shen Pao Tzu No. 21004728

For Hotel Holiday Garden

### **Opinion**

We have audited the following financial statements of Holiday Garden International Ltd. and the subsidiaries (the "Group"): the consolidated balance sheets of December 31, 2020 and 2021, the consolidated statements of comprehensive income of January 1 to December 31 of 2020 and 2021, the consolidated statements of changes in equity, the consolidated statements of cash flows, and the notes to consolidated financial statements, including a summary of significant accounting policies.

According to the opinion of the accountant all material respects, the consolidated financial statements have been prepared in accordance with the Financial Reporting Standards for Securities Issuers and the International Financial Reporting Standards approved by the Financial Supervisory Commission, International Accounting Standards、 Interpretation and interpretation announcement preparation, it is sufficient to fairly express the consolidated financial position of Holiday Garden Group in 2021 and December 31, 2020. The consolidated financial performance and consolidated cash flow from Jan. 1 to Dec. 31, 2021 and 2020.

### **Basis for opinion**

We conducted the audit in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the generally accepted auditing standards in the Republic of China. Our responsibilities under those rules and standards are described in the section of the responsibilities of accountants auditing consolidated financial statements. Personnel of our accounting firm subject to the independent requirements have complied with the code of professional ethics of certified public accountants of the Republic of China, stayed fully independent of the Group and fulfilled other responsibilities in accordance with the code. We believe that we have obtained adequate and appropriate audit evidence to form the basis of our audit opinion.

## **Key audit matters**

According to our professional judgment, in the 2021 consolidated financial statements of the Group. These matters have been addressed during the audit of the overall consolidated financial statements and in the formation of our opinion. We do not express our opinion on these matters separately.

We determine the following key audit matters of the consolidated financial statements of 2021 of the Group:

### **Business Mergers and Acquisitions**

#### Description

Holiday Garden Group purchased SpringHill Suites by Marriott San Jose Fremont Hotel on December 9, 2021 at a price of NT\$1,156,684,000. The business combination of Holiday Garden Group adopts the accounting treatment of the acquisition method. Please refer to Note 4 (26) to the consolidated financial statements for relevant explanations. To measure and allocate the acquisition price to the acquired identifiable assets of the acquired company, please refer to Note VI (26) Business Combination Description to the Consolidated Statements.

As the allocation of the purchase price involves important estimates by the management and the amount of mergers and acquisitions in this year is significant, the accountant listed corporate mergers and acquisitions as one of the important items for review this year.

#### Corresponding audit program

We have implemented the following audit program corresponding to the aforementioned audit matter.

3. We have learned to understand and evaluated management's operating procedure for the intra-group transactions, verified the document of the board and the business plan approved by the Board of Directors.
4. We examined the M&A Process Agreement, verified the payment instrument and confirmed the acquisition price.
5. We obtained the purchase price allocation of the mergers and acquisitions to estimate the independence of the external specialist, verified the price estimation and assumptions of the report, and evaluate the rationality of the purchase price allocations.

## **Property, plant and equipment and intangible asset impairment assessment**

### Description

For accounting policies of intangible asset impairment, please refer to Note 4(16) of the consolidated financial statements. For accounting estimation and assumption uncertainty of evaluation of intangible investment impairment, please refer to Note 5(2) of the consolidated financial statements. For intangible assets, please refer to Note 6(7) of the consolidated financial statements.

The carrying amount of intangible assets as of December 31, 2021 of the Group is NT\$4,750,825,000, accounting for 55% of the total amount of the total consolidated assets. Due to the abundance of various types of accommodation hotels in recent years, fierce competition in the hotel industry, and the impact of the novel coronavirus pneumonia epidemic, the management identified signs that the real estate, plant and equipment and intangible assets of some subsidiaries may have been impaired. The company uses estimated future cash flows and discounts using an appropriate discount rate to measure the recoverable amount of these assets as a basis for assessing whether there is impairment. As the aforementioned estimation of future cash flow involves a number of assumptions, which may have a significant impact on the measurement of the recoverable amount, the accountant listed property, plant and equipment and the assessment of impairment of intangible assets as one of the important items in this year's audit.

### Corresponding audit program

We have implemented the following audit program corresponding to the aforementioned audit matter.

1. We have learned to understand and evaluate management's operating procedure for estimating the subsidiaries' future cash flows and verified that their cash flows for the next year that is consistent with the approval by the Board of Directors.
2. Assess the reasonableness of key assumptions used by management to estimate future cash flows.
3. Evaluate the rationality of various parameters and discount rates used in calculating the recoverable amount.

## **Other matters: Parent company only financial report**

The Group has prepared the 2021 and 2020 parent company only financial statements, and we have

issued an audit report with unmodified opinion. That report is available for reference.

## **Responsibilities of management and those charged with governance for the consolidated financial statements**

The responsibilities of management is to prepare appropriately stated consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Standards (IFRs), the international Accounting Standards (IASs), and the related interpretations and interpretative bulletins endorsed by the Financial Supervisory Commission of the Republic of China. Management is also responsible for maintaining necessary internal control relevant to the preparation of the consolidated financial statements to ensure that the consolidated financial statements are free from material misstatement by fraud or error.

Management when preparing consolidated financial statements is also responsible for evaluating the Group's ability to continue as a going concern, disclosing relevant matters, and using the going concern basis of accounting unless management intends to liquidate the Group, to cease the operations, or to liquidate or to have no feasible alternatives but to do so.

Those charged with governance (including the supervisors) of Group are responsible for supervising the Group's financial reporting procedure.

## **Account's responsibilities for the audit of consolidated financial statements**

The objectives of the accountants for auditing the consolidated financial statements are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from any material misstatement due to fraud or errors and to issue an accountant's report accordingly. Reasonable assurance refers to a high level of assurance, but there is no guarantee that an audit performed in accordance with the generally accepted auditing standards of the Republic of China can detect any material misstatement from the consolidated financial statements. Misstatements may arise from fraud or errors. A misstated dollar amount, individually or in the aggregate, that could be reasonable predicted to influence the economic decision of the user of the consolidated financial statements can be viewed as material.

In accordance with the generally accepted auditing standards of the Republic of China, we exercised

professional judgment and maintained professional skepticism throughout the audit. We also performed the following tasks:

1. We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or errors, designed and performed audit procedures according to those risks, and obtained audit evidence that can sufficiently and appropriately form the 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. We obtained an understanding of internal control relevant to the audit in order to design audit procedures suitable for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. We evaluated the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and related disclosures made by management.
4. We concluded on the appropriateness of management's use of the going concern basis of accounting and 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 based on the audit evidence we have obtained. If we conclude that a material uncertainty exists, we will need to draw attention in our accountant's report to the related disclosures in the consolidated financial statements or to modify our opinion if such disclosures are inadequate. Our conclusions are based on the audit evidence obtained up to the date of this accountant's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. We evaluated the overall presentation, structure and content of the consolidated financial statements, including the attached notes, and whether the consolidated financial statements represent the underlying transactions and events in a fair manner.
6. We obtained sufficient and appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of group audits and are responsible for our audit opinion.

We have communicated with those charged with governance regarding the planned scope and the timing of the audit as well as material audit findings (including significant internal control shortcomings identified in the audit).

We have also provided those charged with governance the statement that the personnel of our accounting firm subject to the requirements of independence have complied with the requirements of independence of the code of professional ethics of certified public accountants of the Republic of China and communicate with those charged with governance relationships and other matters that may influence our independence (including related preventive measures).

We determined the key audit matters of the consolidated financial statements of 2021 of Group according to matters communicated with those charged with governance. We described these matters in the accountant's report, unless the laws and regulations prohibit such disclosure or under rare condition that we decide not to communicate a given matter because the negative impact from such communication may override its public benefits under reasonable assumption.

PwC Taiwan

Accountants

Wang Guo Hua

Lin Yong Zhi

Former Ministry of Finance Securities and Futures  
Commission

Approval certificate No.: (87)Taiwan Financial Certificate  
(6) No.68790

Financial Supervisory Commission R.O.C.(Taiwan)

Approval certificate No.: Chin Kuan Cheng Shen Tzu No.  
1050029592

March 24, 2022

Holiday Garden International Ltd. and Subsidiaries  
Consolidated Balance Sheet  
December 31 of 2021 and 2020

Unit: NT\$1,000

Assets	Notes	December 31 2021 Amount	2021 %	December 31 2020 Amount	2020 %
<b>Current assets</b>					
1100	Cash and cash equivalents	\$ 2,145,257	25	\$ 887,011	13
1136	Financial assets available-for-sale - current	966,700	11	973,505	14
1150	Net notes receivable	323	-	-	-
1170	Net accounts receivable	30,980	-	24,727	-
1200	Other accounts receivable	567	-	823	-
1220	Tax assets	42,817	-	69,938	1
130X	Inventories	638	-	1,029	-
1410	Advance payments	10,053	-	10,987	-
1479	Other current assets - others	430	-	194	-
11XX	<b>Total current assets</b>	<u>3,197,765</u>	<u>37</u>	<u>1,968,214</u>	<u>28</u>
<b>Non-current assets</b>					
1535	Financial assets at amortized cost - non-current	85,295	1	-	-
1600	Property, plants, and equipment	4,001,582	47	3,947,433	56
1755	Right if use asset	113,107	1	112,412	2
1780	Intangible assets	791,315	9	664,991	9
1840	Deferred tax assets	395,715	5	317,815	5
1915	Prepayments for equipment	12,160	-	11,663	-
1920	Guarantee deposits paid	10,266	-	10,040	-
1990	Other non-current assets - others	229	-	192	-
15XX	<b>Total non-current assets</b>	<u>5,409,669</u>	<u>63</u>	<u>5,064,546</u>	<u>72</u>
1XXX	<b>Total assets</b>	<u>\$ 8,607,434</u>	<u>100</u>	<u>\$ 7,032,760</u>	<u>100</u>

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Holiday Garden International Ltd. and Subsidiaries  
Consolidated Balance Sheet  
December 31 of 2021 and 2020

Unit: NT\$1,000

Liabilities and equity		Notes	December 31 2021		December 31 2020	
			Amount	%	Amount	%
<b>Current liabilities</b>						
2100	Short-term borrowings	6(9)(8)	\$ 884,000	10	\$ 1,609,599	23
2110	Short-term notes and bills payable	6(10)	30,000	-	130,000	2
2130	Contractual liabilities - current	6(17)	3,719	-	11,090	-
2170	Accounts payable		1,814	-	3,712	-
2200	Other accounts payable	6(11)	91,647	1	67,336	1
2230	Current income tax liabilities		36,704	1	18,949	-
2280	Current lease liabilities		8,236	-	6,451	-
2320	Long-term liabilities - current portion	6(12)&8	807,943	10	718,775	10
2399	Other current liabilities: others		567	-	3,000	-
21XX	<b>Total current liabilities</b>		<u>1,864,630</u>	<u>22</u>	<u>2,568,912</u>	<u>36</u>
<b>Non-current liabilities</b>						
2540	Long-term borrowings	6(12)&8	3,683,724	43	2,997,564	43
2570	Deferred income tax liabilities	6(24)	187,149	2	262,719	4
2580	Lease obligations-non-current		113,552	1	113,282	1
2610	Long-term notes & accounts payable	6(4)	-	-	127,577	2
2645	Deposits received		181	-	755	-
25XX	<b>Total non-current liabilities</b>		<u>3,984,606</u>	<u>46</u>	<u>3,501,897</u>	<u>50</u>
2XXX	<b>Total liabilities</b>		<u>5,849,236</u>	<u>68</u>	<u>6,070,809</u>	<u>86</u>
<b>Equity</b>						
<b>Consolidated net income attributable to owners of the parent company</b>						
<b>Capital stock</b>						
3110	Common share capital	6(14)	1,104,856	13	1,104,856	16
	Capital surplus	6(15)				
3200	Capital surplus		2,169	-	2,169	-
	Retained surplus	6(16)				
3310	Legal reserve		82,561	1	82,561	1
3320	Special reserve		-	-	71,161	1
3350	Retained earnings		1,714,643	20	182,800	2
<b>Other equity</b>						
3400	Other equity		( 146,031)	( 2)	( 115,996)	( 2)
31XX	<b>Total income attributable to the owners of the parent company</b>		<u>2,758,198</u>	<u>32</u>	<u>961,951</u>	<u>14</u>
3XXX	<b>Total equity</b>		<u>2,758,198</u>	<u>32</u>	<u>961,951</u>	<u>14</u>
	Significant contingent liabilities and unrecognized contractual commitments	9				
3X2X	<b>Major events after the reporting period</b>		<u>\$ 8,607,434</u>	<u>100</u>	<u>\$ 7,032,760</u>	<u>100</u>

Please refer to notes of consolidated financial statements provided at the end, which is part of this consolidated financial report.

Chairperson of the Board: Chen Hai-ni    Manager: Chen Hai-ni

Accounting Director: Yu Su-Ling

Holiday Garden International Ltd. and Subsidiaries  
Consolidated Statements of Comprehensive Income  
January 1 to December 31 of 2021 and 2020

Unit: NT\$1,000

(Except earnings (loss) per share, which is in NT\$1.00)

Item	Notes	2020		2021	
		Amount	%	Amount	%
4000 <b>Operating revenue</b>	6(17)	\$ 821,146	100	\$ 658,854	100
5000 <b>Operating cost</b>	6(3)(22)(23)	( 193,414)	( 23)	( 189,651)	( 29)
5900 <b>Operating gross profit</b>		<u>627,732</u>	<u>77</u>	<u>469,203</u>	<u>71</u>
<b>Operating expenses</b>	6(6)(22)(23)				
6200 Management expense		( 733,330)	( 89)	( 645,973)	( 98)
6450 Expected impairment loss	12(2)	( 266)	-	220	-
6000 <b>Total operating expenses</b>		<u>( 733,064)</u>	<u>( 89)</u>	<u>( 646,193)</u>	<u>( 98)</u>
6900 <b>Operating profit</b>		<u>105,332</u>	<u>12</u>	<u>176,990</u>	<u>27</u>
<b>Non-operating income and expenses</b>					
7100 Interest Income	6(18)	3,397	-	15,983	3
7010 Other income	6(19)	11,769	2	6,798	1
7020 Other gains and losses	6(20)	( 40,766)	( 5)	( 185,452)	( 28)
7050 Financial cost	6(21)	( 113,184)	( 14)	( 130,239)	( 20)
7000 <b>Total non-operating income and expenses</b>		<u>( 138,784)</u>	<u>( 17)</u>	<u>292,910</u>	<u>44</u>
7900 <b>Net profit before tax</b>		<u>( 244,116)</u>	<u>29</u>	<u>( 469,900)</u>	<u>71</u>
7950 Income tax expense	6(24)	( 90,185)	( 11)	( 218,519)	( 33)
8000 <b>Net loss of continuing business units for the current period</b>		<u>153,931</u>	<u>18</u>	<u>251,381</u>	<u>38</u>
8100 Profits (losses) of closed units	6(8)&12(2)	<u>1,980,213</u>	<u>241</u>	<u>18,928</u>	<u>3</u>
8200 <b>Net profit (losses) for this year</b>		<u>( \$ 1,826,282)</u>	<u>( 223)</u>	<u>\$ 270,309</u>	<u>41</u>
<b>Other comprehensive income</b>					
<b>Components may be subsequently reclassified to profit/loss</b>					
8361 Exchange differences on translation of foreign financial statements		( \$ 37,544)	( 5)	\$ 71,256	11
8399 Income tax of components that may be reclassified	6(24)	<u>7,509</u>	<u>1</u>	<u>( 14,251)</u>	<u>( 2)</u>
8300 <b>Net amount other comprehensive income (loss) after tax</b>		<u>( \$ 30,035)</u>	<u>( 4)</u>	<u>\$ 57,005</u>	<u>9</u>
8500 <b>Total comprehensive income (loss)</b>		<u>( \$ 1,796,247)</u>	<u>( 219)</u>	<u>\$ 327,314</u>	<u>50</u>
<b>Net income attributable to</b>					
8610 Owners of the parent company		<u>( \$ 1,826,282)</u>	<u>( 223)</u>	<u>\$ 270,309</u>	<u>41</u>
<b>Total comprehensive income (loss) attributable to:</b>					
8710 Owners of the parent company		<u>( \$ 1,796,247)</u>	<u>( 219)</u>	<u>\$ 327,314</u>	<u>50</u>
<b>Earnings (loss) per share</b>	6(24)				
9710 Net loss from continuing business units		(\$ 1.39)		(\$ 2.28)	

Please refer to notes of consolidated financial statements provided at the end, which is part of the consolidated financial statements. "

Chairperson of the Board: Chen Hai-ni    Manager: Chen Hai-ni

Accounting Director : Yu Su-ling

Holiday Garden International Ltd. and Subsidiaries  
Consolidated Statements of Comprehensive Income  
January 1 to December 31 of 2021 and 2020

Unit: NT\$1,000

(Except earnings (loss) per share, which is in NT\$1.00)

9720	Net profit (net loss) of discontinued units	<u>17.92</u>	(	<u>0.17</u> )
9750	Basic earnings per share (loss)	\$ <u>16.53</u>	(\$	<u>2.45</u> )
9810	Net loss from continuing business units	(\$ 1.39)	(\$	2.28)
9820	Net profit (net loss) of discontinued units	<u>17.92</u>	(	<u>0.17</u> )
9850	Diluted earnings (loss) per share	\$ <u>16.53</u>	(\$	<u>2.45</u> )

Please refer to notes of consolidated financial statements provided at the end, which is part of the consolidated financial statements. \*

Chairperson of the Board: Chen Hai-ni    Manager: Chen Hai-ni

Accounting Director : Yu Su-ling

Holiday Garden International Ltd. and Subsidiaries  
Consolidated Statements of Changes in Equity  
January 1 to December 31 of 2021 and 2020

Unit: NT\$1,000

Notes	<u>R e t a i n e d e a r n i n g s</u>						Total
	Ordinary share capital	Capital Reserve – Issue Premium	Statutory Surplus Reserve	Special Surplus Reserve	Undistributed Surplus (with offsetting Losses)	Exchange differences On financial Statements of Foreign operating agencies	
<b>2020</b>							
Balance on January 1, 2020	\$ 1,104,856	\$ 2,169	\$ 82,561	\$ 71,161	\$ 87,509	\$ 58,991	\$ 1,289,265
Current net profit	-	-	-	-	( 270,309 )	-	( 270,309 )
Other comprehensive income for this year	-	-	-	-	-	( 57,005 )	( 57,005 )
Total current comprehensive income	-	-	-	-	( 270,309 )	( 57,005 )	( 327,314 )
Balance, December 31, 2020	<u>\$ 1,104,856</u>	<u>\$ 2,169</u>	<u>\$ 82,561</u>	<u>\$ 71,161</u>	<u>( \$ 182,800 )</u>	<u>( \$ 115,996 )</u>	<u>\$ 961,951</u>
<b>2021</b>							
Balance on January 1, 2021	\$ 1,104,856	\$ 2,169	\$ 82,561	\$ 71,161	( \$ 182,800 )	( \$ 115,996 )	\$ 961,951
Net profit for the current period	-	-	-	-	1,826,282	-	1,826,282
Other comprehensive income for this year	-	-	-	-	-	( 30,035 )	( 30,035 )
Total comprehensive profit and loss for the current period	-	-	-	-	1,826,282	( 30,035 )	( 1,796,247 )
Special surplus reserve reversal	6(16)	-	-	( 71,161 )	71,161	-	-
Balance on December 31, 2021	<u>\$ 1,104,856</u>	<u>\$ 2,169</u>	<u>\$ 82,561</u>	<u>\$ --</u>	<u>\$ 1,714,643</u>	<u>( \$ 146,031 )</u>	<u>\$ 2,758,198</u>

Please refer to notes of consolidated financial statements provided at the end, which is part of the consolidated financial statements.

Chairperson of the Board: Chen Hai-ni

Manager: Chen Hai-ni

Accounting Director: Yu  
Su-ling

Holiday Garden International Ltd. and Subsidiaries  
Consolidated Cash Flow Statements  
January 1 to December 31 of 2021 and 2020

Unit: NT\$, 000

	Note	2021	2020
<b>Cash flows from operating activities</b>			
Net loss before tax of continuing business units		(\$ 244,116)	(\$ 469,900)
Net profit before tax (net loss) of discontinued units	6(8)	2,036,842	( 23,960)
Net profit before tax (net loss) for the current period		1,792,726	( 493,860)
Adjust item			
Income expense item			
Expected credit impairment (benefits) losses	12(2)	( 808)	667
Depreciation expense	6(4)(5)(22)	198,045	210,080
Amortized expense	6(6)(22)	48,365	49,923
Lease modification benefits	6(5)(20)	( 14)	( 16)
Interest expenses	6(21)	125,260	140,215
Interest income	6(18)	( 3,397)	( 15,983)
Disposal of property, plant and equipment interests	6(20)	( 2,052,593)	-
Impairment losses on non-financial assets	6(7)(20)	2,083	132,975
Changes in assets/liabilities related to operating activities			
Net change in assets related to operating activities			
Bills receivable		( 323)	1,438
Accounts Receivable		( 6,090)	7,928
Other receivables		190	( 355)
Inventory		391	67
Prepayments		717	( 2,157)
Other current assets - other		( 236)	98
Net change in liabilities related to operating activities			
Contract liabilities - current		( 7,351)	( 7,084)
Bills payable		-	( 322)
Accounts Payable		( 1,898)	692
Other payables		21,295	( 36,839)
Other current liabilities - other		( 2,431)	346
Cash inflows (outflows) from operations		113,931	( 12,187)
Interest received		3,445	18,716
Interest paid		( 124,392)	( 142,425)
Income tax refunded		22,777	5,187
Income tax paid		( 97,749)	-
Net cash outflow from operating activities		( 81,988)	( 131,009)
<b>Cash flow from investing activities</b>			
Financial assets at amortized cost - decrease in current		\$ 5,789	\$ 25,481
Financial assets at amortized cost - non-current increase		( 85,295)	-
Acquisition of business	6(26)	( 1,156,684)	-
Acquisition of property, plant and equipment	6(27)	( 132,454)	( 3,464)
Disposal of property, plant and equipment		( 2,700,376)	-
Acquire intangible assets	6(6)	( 708)	-
Increase in prepaid equipment		( 12,305)	( 105,227)
Increased margin deposit		( 423)	( 2,111)
Other non-current assets - other (increase) decrease		( 43)	11
Net cash inflows (outflows) from investing activities		1,318,253	( 85,310)
<b>Cash flow from financing activities</b>			
Short-term borrowing increases	6(28)	2,274,401	1,791,099
Short-term borrowings decrease	6(28)	( 3,000,000)	( 1,711,500)
Short-term notes payable decreased	6(28)	( 100,000)	-
Lease principal repayment	6(28)	( 6,470)	( 4,730)
Long-term loan	6(28)	1,589,281	1,060,660
Repay long-term loan	6(28)	( 699,777)	( 1,125,967)
Decreased deposits		( 574)	615
Net cash inflow from financing activities		56,861	8,947

Please refer to notes of consolidated financial statements provided at the end, which is part of the consolidated financial statements.

Chairperson of the Board: Chen Hai-ni

Manager: Chen Hai-ni

Accounting Director: Yu Su-ling

Holiday Garden International Ltd. and Subsidiaries  
Consolidated Cash Flow Statements  
January 1 to December 31 of 2021 and 2020

Unit: NT\$, 000

	Note	2021	2020
Effects of Exchange Rate Changes		( 34,880 )	( 45,454 )
Increase (decrease) in cash and cash equivalents in the current period		1,258,246	( 252,826 )
Cash and cash equivalents at end of period	6(1)	887,011	\$ 1,139,837
Closing balance of cash and cash equivalents	6(1)	\$ 2,145,257	\$ 887,011

Please refer to notes of consolidated financial statements provided at the end, which is part of the consolidated financial statements.

Chairperson of the Board: Chen Hai-ni

Manager: Chen Hai-ni

Accounting Director: Yu Su-ling

**Hotel Holiday Garden**  
**For the year 2020**  
**Distribution of surplus table**

項 目	金 額	
	小計	小計
Beginning accumulated deficit		\$ (182,800,185)
Add: Net income for the year 2021	1,826,281,614	
Add: Rotation first time applicable IFRSs Submit Special reserve	<u>71,162,267</u>	<u>1,897,443,881</u>
Adjusted unappropriated retained earnings		1,714,643,696
Subtract: Submit 10% Legal reserve	(171,464,370)	
Subtract: Submit Special reserve	<u>(30,035,679)</u>	<u>(201,500,049)</u>
Surplus available for distribution		1,513,143,647
Assignment projects:		
1. Cash dividends of shareholder (1 dollar per share)		(110,485,538)
2. Share dividends of shareholder (3.5dollar per share)		<u>(386,699,383)</u>
Ending unappropriated retained earnings		<u>\$ 1,015,958,726</u>

Note: According to the 2002.04.06 Jin Guan Zheng Fa Zi No. 1010012865 letter, the company chose to apply the IFRS No. 1 exemption items, and transferred the unrealized revaluation value to the retained surplus, and set aside a special surplus reserve of NT\$71,162,267 Yuan, because the relevant assets have been disposed of in the current year, so it will be reversed.

Chairperson of the Board: Chen Hai-ni

Manager: Chen Hai-ni

Accounting Director: Yu Su-ling

## Attachment 4

### Hotel Holiday Garden Amendment Revisions of Articles of Incorporation

Article	Clause before amendment	Clause after amendmen	Purpose of amendment
Article 5	The total capital of the Company is set at NT\$1,500,000,000 divided into 150,000,000 shares of NT\$10 each, which are authorized to be issued by the Board of Directors in installments.	The total capital of the Company is set at NT\$ <u>2,500,000,000</u> divided into <u>250,000,000</u> shares of NT\$10 each, which are authorized to be issued by the Board of Directors in installments.	Business Development Needs
Article10	Deleted.	<u>The Company's shareholders' meetings may be held by video conference or other means as announced by the central authority.</u>	Amendments to the law
Article30	The Board of Directors shall consider the Company's future capital expenditure budget and capital requirements, and evaluate the necessity of using earnings to meet capital requirements in order to determine the amount of earnings to be retained or distributed and the amount of dividends or bonuses to be distributed to shareholders in cash. In addition, the Company shall set aside 10% of the legal reserve if there is any surplus, except when the legal reserve has already reached the Company's	The Board of Directors shall consider the Company's future capital expenditure budget and capital requirements, and evaluate the necessity of using earnings to meet capital requirements in order to determine the amount of earnings to be retained or distributed and the amount of dividends or bonuses to be distributed to shareholders in cash. In addition, the Company shall first set aside 10% of the legal reserve, if any, after appropriating or reversing the special reserve, and then	Amendments to the law

Article	Clause before amendment	Clause after amendmen	Purpose of amendment
	<p>capital, and after setting aside or reversing the special reserve in accordance with the law, the undistributed earnings at the beginning of the period shall be consolidated into the shareholders' accumulated distributable earnings, and the board of directors shall prepare a proposal for the distribution of the earnings. The Board of Directors shall prepare a proposal for distribution of earnings and submit it to the shareholders for resolution.</p> <p>The Board of Directors shall prepare a proposal for distribution of earnings and submit it to the shareholders for resolution. 10% or more of the aforementioned distributable earnings shall be distributed as dividends and stockholders' bonuses, of which no less than 10% of the total dividends and stockholders' bonuses shall be cash dividends.</p> <p>The attendance of at least two-thirds of the board of directors and the resolution of a majority of</p>	<p>consolidate the undistributed earnings at the beginning of the period into the cumulative distributable earnings of the shareholders, and the Board of Directors shall prepare a proposal for distribution of the earnings and submit it to the shareholders for resolution. The Board of Directors shall prepare a proposal for distribution of earnings and submit it to the shareholders' meeting for resolution.</p> <p>The Board of Directors shall prepare a proposal for the distribution of earnings and submit it to the shareholders for resolution. 10% or more of the aforementioned distributable earnings shall be set aside for dividends and stockholders' bonuses, of which not less than 10% shall be cash dividends to shareholders.</p> <p>If two-thirds or more of the board of directors of the Company and a majority of the directors present resolve to distribute all or part of the dividends and bonuses,</p>	

Article	Clause before amendment	Clause after amendmen	Purpose of amendment
	<p>the directors present to distribute all or part of the dividends and bonuses, capital surplus or legal reserve in the form of cash and report to the shareholders' meeting are not subject to the second requirement of a resolution at the shareholders' meeting.</p>	<p>capital surplus or legal reserve in the form of cash and report to the shareholders' meeting, the second requirement of a resolution of the shareholders' meeting does not apply.</p>	
Article37		<p>(Abridged) The 45th amendment became effective on Juna 15, 2022, after it was approved by the shareholders' meeting.</p>	<p>Increase the number of revisions</p>

**Attachment 5**

## Hotel Holiday Garden

Amendment provisions of the Operational Procedures of acquisition or disposal of assets 2022.03.24

Article	Clause before amendment	Clause after amendment	Purpose of amendment
Article 8	<p>When the Company acquires or disposes of real estate, equipment or its right-to-use assets, except for transactions with domestic government agencies, construction on self-owned land, construction on leased land, or acquisition or disposal of equipment or its right-to-use assets for business use, and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report issued by a professional appraiser before the date of occurrence of the fact, and shall comply with the following requirements.</p> <p>1. If, for special reasons, a limited price, a specific price or a special price is required as a reference for the transaction price, the transaction shall be submitted to the Board of Directors for approval, and the same shall apply to any subsequent changes in the terms of the transaction.</p> <p>2. If the transaction amount reaches NT\$1 billion or more, two or more professional appraisers shall be requested to appraise the transaction.</p> <p>In the event that the</p>	<p>When the Company acquires or disposes of real estate, equipment or its right-to-use assets, except for transactions with domestic government agencies, construction on self-owned land, construction on leased land, or acquisition or disposal of equipment or its right-to-use assets for business use, and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report issued by a professional appraiser before the date of occurrence of the fact, and shall comply with the following requirements.</p> <p>1. If, for special reasons, a limited price, a specific price or a special price is required as a reference for the transaction price, the transaction shall be submitted to the Board of Directors for approval, and the same shall apply to any subsequent changes in the terms of the transaction.</p> <p>2. If the transaction amount reaches NT\$1 billion or more, two or more professional appraisers shall be requested to appraise the transaction.</p> <p>In the event that the professional appraiser's appraisal result is one of the following, except that the appraisal result of the assets acquired is higher than the transaction amount or the</p>	Amendments to the law

	<p>professional appraiser's appraisal result is one of the following, except that the appraisal result of the assets acquired is higher than the transaction amount or the appraisal result of the assets disposed of is lower than the transaction amount, the accountant shall be requested to comply with the provisions of Statement of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation of the R.O.C. (hereinafter referred to as the ARDF), and to express a specific opinion on the reasons for the difference and the fairness of the transaction price. We express specific opinions on the reason for the discrepancy and the appropriateness of the transaction price.</p> <p>(a) The difference between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>(2) Where the difference between the appraisal results of two or more professional appraisers amounts to more than 10% of the transaction amount or more.</p> <p>4. The date of the professional appraiser's report and the date of contract formation shall not exceed three months. However, if the current value of the contract applies to the same issue of the announcement and is less than six months old, the original professional</p>	<p>appraisal result of the assets disposed of is lower than the transaction amount, the accountant shall be requested to express a specific opinion as to the reason for the difference and the fairness of the transaction price.</p> <p>(1) If the difference between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>(2) Where the difference between the appraisal results of two or more professional appraisers reaches 10% or more of the transaction amount.</p> <p>4. The date of the professional appraiser's report and the date of contract formation shall not exceed three months. However, if the current value of the contract applies to the same issue of the announcement and is less than six months old, an opinion may be issued by the original professional appraiser.</p>	
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	appraiser may issue an opinion.		
Article 9	If the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company should obtain the accountant's opinion on the reasonableness of the transaction price before the actual date of the transaction. If the accountant requires an expert report, he or she should follow the provisions of Statement of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation. However, if the marketable securities are publicly quoted in an active market or as otherwise specified by the Financial Supervisory Commission, the Company shall not be subject to such limitations.	If the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an opinion on the reasonableness of the transaction price from a certified public accountant prior to the date of occurrence of the fact. However, unless the marketable securities are publicly quoted in an active market or the Financial Supervisory Commission stipulates otherwise.	Amendments to the law
Article 12	The appraisal report obtained by the Company or the opinion of an accountant, attorney or securities underwriter, such professional appraiser and its appraisers, accountants, attorneys or securities underwriters shall meet the following requirements. 1. They have not been sentenced to imprisonment for a term of more than one year for violation of this Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, the Business Accounting Act, or for fraud, breach of trust, embezzlement, forgery, or	The appraisal report obtained by the Company or the opinion of an accountant, attorney or securities underwriter, such professional appraiser and its appraisers, accountants, attorneys or securities underwriters shall meet the following requirements. 1. They have not been sentenced to imprisonment for a term of more than one year for violation of this Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, the Business Accounting Act, or for fraud, breach of trust, embezzlement, forgery, or for criminal conduct in	Amendments to the law

	<p>for criminal conduct in business. However, except for those who have completed execution, probation or pardon and have completed three years of imprisonment.</p> <p>(2) The parties to the transaction shall not be related parties or have substantial relationship with each other.</p> <p>If the Company shall obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisers shall not be related persons or have substantial relationships with each other.</p> <p>When issuing appraisal reports or opinions, the aforementioned personnel shall follow the self-regulatory rules of the respective trade association to which they belong and the following matters</p> <ol style="list-style-type: none"> <li>1. Before undertaking a case, they shall carefully evaluate their professional competence, practical experience and independence.</li> <li>2. When checking cases, they should properly plan and implement appropriate operational procedures to form conclusions and issue reports or opinions based on We will also record the procedures, information collected and conclusions in detail in the working papers.</li> </ol>	<p>business. However, except for those who have completed execution, probation or pardon and have completed three years of imprisonment.</p> <p>(2) The parties to the transaction shall not be related parties or have substantial relationship with each other.</p> <p>If the Company shall obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisers shall not be related persons or have substantial relationships with each other.</p> <p>When issuing appraisal reports or opinions, the aforementioned personnel shall follow the self-regulatory rules of the respective trade association to which they belong and the following matters</p> <ol style="list-style-type: none"> <li>1. Before undertaking a case, they shall carefully evaluate their professional competence, practical experience and independence.</li> <li>2. When executing a case, it shall properly plan and implement appropriate operational procedures to form a conclusion and issue a report or opinion based on it; and shall record the procedures, information collected and conclusions in detail in the working draft of the case.</li> </ol> <p>The appropriateness, accuracy and reasonableness of the data sources, parameters and information used shall be</p>	
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	<p>The procedures performed, information collected, and conclusions reached will be recorded in detail in the working papers of the case. The sources of data, parameters and information used shall be evaluated for completeness, accuracy and reasonableness on a case-by-case basis to form the basis for issuing an appraisal report or opinion. The declaration shall include that the relevant personnel are professional and independent, that the information used has been evaluated to be reasonable and correct, and that the relevant laws and regulations have been followed.</p>	<p>evaluated on a case-by-case basis to form the basis for the issuance of the valuation report or opinion. The declaration shall include that the relevant personnel are professional and independent, that the information used has been evaluated to be appropriate, reasonable and correct, and that the relevant laws and regulations have been followed, etc.</p>	
Article 14	<p>If the Company acquires or disposes of real estate or assets with a related party, or acquires or disposes of assets other than real estate or assets with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of the Company's total assets, or NT\$300 million or more, except for the purchase or sale of domestic bonds, bonds with buy-back or sell-back conditions, or the purchase or sale of money market funds issued by domestic securities investment trusts, the Company may enter into a transaction contract and make payment only after the following information is approved by the Audit</p>	<p>If the Company acquires or disposes of real estate or assets with a related party, or acquires or disposes of assets other than real estate or assets with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of the Company's total assets, or NT\$300 million or more, except for the purchase or sale of domestic bonds, bonds with buy-back or sell-back conditions, or the purchase or sale of money market funds issued by domestic securities investment trusts, the Company may enter into a transaction contract and make payment only after the following information is approved by the Audit Committee and submitted to the Board of Directors for</p>	Amendments to the law

	<p>Committee and submitted to the Board of Directors for approval The following information shall be approved by the Audit Committee and then submitted to the Board of Directors for approval before the transaction contract is signed and payment is made.</p> <p>The purpose, necessity and expected benefits of the acquisition or disposal of the assets.</p> <p>(2) The reason for selecting the related party as the target of the transaction.</p> <p>(3) Information related to the acquisition of real estate or its right-to-use assets from the related party and the assessment of the reasonableness of the predetermined transaction terms in accordance with Article 15.</p> <p>The date and price of the original acquisition by the related party, the counterparty and its relationship with the Company and the related party.</p> <p>The projected cash receipts and expenditures for each month of the year commencing from the month of the contract, and an evaluation of the necessity of the transaction and the reasonableness of the use of funds.</p> <p>The appraisal report issued by the professional appraiser obtained in accordance with the provisions of the preceding Article, or the opinion of the accountant.</p>	<p>approval The following information shall be approved by the Audit Committee and then submitted to the Board of Directors for approval before the transaction contract is signed and payment is made.</p> <p>The purpose, necessity and expected benefits of the acquisition or disposal of the assets.</p> <p>(2) The reason for selecting the related party as the target of the transaction.</p> <p>(3) Information related to the acquisition of real estate or its right-to-use assets from the related party and the assessment of the reasonableness of the predetermined transaction terms in accordance with Article 15.</p> <p>The date and price of the original acquisition by the related party, the counterparty and its relationship with the Company and the related party.</p> <p>The projected cash receipts and expenditures for each month of the year commencing from the month of the contract, and an evaluation of the necessity of the transaction and the reasonableness of the use of funds.</p> <p>The appraisal report issued by the professional appraiser obtained in accordance with the provisions of the preceding Article, or the opinion of the accountant.</p> <p>Restrictions on the transaction and other important agreements.</p> <p>The board of directors may authorize the chairman of the board of directors to decide on the following transactions</p>	
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	<p>Restrictions on the transaction and other important agreements. The calculation of the amount of the foregoing transaction shall be made in accordance with Article 22, Paragraph 2, and the reference to within one year shall be based on the date of occurrence of the transaction and shall be retroactively calculated for a period of one year, and the portion of the transaction that has been approved by the Audit Committee and submitted to the Board of Directors for approval in accordance with the provisions of this Standard shall not be counted. The Board of Directors may authorize the Chairman of the Board to decide on the following transactions between the Company and its parent company, subsidiaries, or subsidiaries in which the Company directly or indirectly holds 100% of the outstanding shares or capital, within certain limits, and then submit them to the most recent Board of Directors for ratification.</p> <p>(1) Acquisition or disposal of equipment or assets used for business purposes or the right to use them.</p> <p>(2) Acquisition or disposal of real estate assets for business use.</p> <p>If the independent directors have opposing views or reservations, they should be recorded in the minutes of the board of directors' meeting.</p>	<p>between the Company and its parent company, subsidiaries, or subsidiaries in which the Company directly or indirectly holds 100% of the outstanding shares or capital stock, within certain limits, and then submit them to the most recent board of directors for ratification.</p> <p>(1) Acquisition or disposal of equipment or assets used for business purposes or the right to use them.</p> <p>(2) Acquisition or disposal of real estate assets for business use.</p> <p>If the independent directors have opposing views or reservations, they shall state them in the minutes of the board of directors' meeting. In the event that the Company or its non-domestic public company subsidiaries have the first transaction and the transaction amount reaches 10% or more of the total assets of the public company, the public company shall submit the information listed in the first paragraph to the shareholders' meeting for approval before signing the transaction contract and making payment. However, transactions between a public company and its parent company or subsidiary, or between its subsidiaries, are not subject to this limitation. The calculation of the amount of the first and preceding transactions shall be in accordance with Article 22, Paragraph 2, and the reference to within one year shall be based on the date of occurrence of the transaction and shall be projected one year backward, and the part of the</p>	
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		transaction that has been submitted to the shareholders' meeting, the board of directors' meeting for approval and the supervisors' recognition in accordance with the provisions of this Standard shall not be counted.	
Article 22	<p>If the Company acquires or disposes of assets under the following circumstances, the Company shall, in accordance with the nature and in accordance with the prescribed format, make an announcement and report the relevant information on the website designated by the Association within two days from the date of occurrence.</p> <p>The Company acquires or disposes of real estate or assets with a related party, or acquires or disposes of assets other than real estate or assets with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of the Company's total assets, or NT\$300 million or more. However, the purchase or sale of domestic bonds, bonds with repurchase or repurchase conditions, or the purchase or repurchase of money market funds issued by domestic securities investment trusts shall not be subject to this limitation.</p> <p>(2) Mergers, demergers, acquisitions or share transfers.</p> <p>(3) Engaging in derivative transactions with losses reaching the maximum amount of all or individual</p>	<p>Criteria for making announcements and reporting</p> <p>If the Company acquires or disposes of assets in any of the following circumstances, the Company shall make an announcement and report the relevant information on the website designated by the Association within two days from the date of occurrence in accordance with the prescribed format.</p> <p>The Company acquires or disposes of real estate or its right-to-use assets from a related party, or acquires or disposes of assets other than real estate or its right-to-use assets with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of its total assets, or NT\$300 million or more. However, the purchase or sale of domestic bonds, bonds with repurchase or repurchase conditions, or the purchase or repurchase of money market funds issued by domestic securities investment trusts shall not be subject to this limitation.</p> <p>(2) Mergers, demergers, acquisitions or share transfers.</p> <p>(3) Engaging in derivative transactions with losses reaching the maximum amount of all or individual contract losses as stipulated in the prescribed procedures.</p>	Amendments to the law

	<p>contract losses as stipulated in the prescribed procedures.</p> <p>(4) The acquisition or disposal of equipment or assets for business use, where the counterparty is not a related party, and the transaction amount reaches one of the following requirements.</p> <p>(1) For a public company with paid-in capital of less than NT\$10 billion, the transaction amount shall reach NT\$500 million or more.</p> <p>(2) For public companies with paid-in capital of at least NT\$10 billion, the transaction amount shall be at least NT\$1 billion.</p> <p>(5) A public company engaged in the construction business that acquires or disposes of real estate or its right to use assets for construction purposes and the counterparty is not a related party, and the transaction amount reaches NT\$500 million or more; among them, if the paid-in capital reaches NT\$10 billion or more and the counterparty is not a related party, and the transaction amount reaches NT\$1 billion or more.</p> <p>6. If the company acquires real estate by self-commissioned construction, land-leased construction, joint construction and subdivision, joint construction and subdivision, or joint construction and subsale, and the counterparty is not a related party, and the</p>	<p>(4) The acquisition or disposal of equipment or assets for business use, where the counterparty is not a related party, and the transaction amount reaches one of the following requirements.</p> <p>(1) For a public company with paid-in capital of less than NT\$10 billion, the transaction amount shall reach NT\$500 million or more.</p> <p>(2) For public companies with paid-in capital of at least NT\$10 billion, the transaction amount shall be at least NT\$1 billion.</p> <p>(5) A public company engaged in the construction business that acquires or disposes of real estate or its right to use assets for construction purposes and the counterparty is not a related party, and the transaction amount reaches NT\$500 million or more; among them, if the paid-in capital reaches NT\$10 billion or more and the counterparty is not a related party, and the transaction amount reaches NT\$1 billion or more.</p> <p>6. If a company acquires real estate by self-commissioned construction, land-leased construction, joint construction and subdivision, joint construction and subdivision, or joint construction and subsale, and the counterparty is not a related party, the company expects to invest a transaction amount of NT\$500 million or more.</p> <p>(7) Asset transactions other than those described in the preceding six paragraphs, the disposal of debts by financial institutions, or investments in Mainland China, where the</p>	
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	<p>transaction amount is expected to reach NT\$500 million or more.</p> <p>7. The transaction amount of asset transactions, disposal of debts by financial institutions or investment in Mainland China other than those in the preceding six paragraphs reaches 20% of the Company's paid-in capital or NT\$300 million or more. However, the following circumstances shall not apply.</p> <p>(1) Trading of domestic public bonds.</p> <p>(2) Trading of marketable securities on domestic or overseas stock exchanges or securities dealers' business premises, or subscription or issuance of ordinary corporate bonds and general financial bonds not involving equity interests (excluding subordinated bonds) in the primary market, or application for or repurchase of securities investment trusts or futures trusts, or underwriting business needs of securities dealers, and acting as an advisor to emerging companies and recommending securities dealers to buy or sell securities in accordance with the consortium's regulations.</p> <p>(3) Trading of marketable securities with repurchase, repurchase or repurchase of securities investment trusts or futures trusts</p> <p>(3) Trading of bonds with buy-back or sell-back conditions, subscription or repurchase of money market funds issued by domestic</p>	<p>transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more. However, the following circumstances shall not apply.</p> <p>(1) Trading of domestic public bonds or foreign public bonds with credit ratings not lower than the sovereign rating of the ROC.</p> <p>(2) For the purpose of investment, the Company may buy or sell securities on domestic or overseas stock exchanges or securities dealers' offices, or subscribe for foreign bonds or ordinary corporate bonds and general financial bonds not involving equity interests (excluding subordinated bonds) in the primary market, or subscribe for or buy back securities investment trusts or futures trusts, or subscribe for or sell back index investment securities, or for the purpose of underwriting business of securities dealers. (2) To act as an underwriting agent for the securities market, and to act as an advisor to recommend securities dealers to subscribe for marketable securities in accordance with the regulations of the Over-the-Counter Securities Trading Center of the Republic of China.</p> <p>(3) Trading of bonds with repurchase or repurchase conditions, and subscription or repurchase of money market funds issued by domestic securities investment trusts.</p> <p>The amounts of the preceding transactions are calculated as follows.</p> <p>(a) The amount of each transaction.</p>	
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	<p>securities investment trusts. The amount of the foregoing transactions shall be calculated as follows</p> <p>(1) The amount of each transaction.</p> <p>(2) The cumulative amount of transactions with the same counterparty within one year for the acquisition or disposal of the same subject matter.</p> <p>C. The cumulative amount of acquisition or disposal (acquisition and disposal respectively) of real estate or its right-to-use assets of the same development project within one year.</p> <p>4. The cumulative amount of acquisition or disposal (acquisition or disposal, respectively) of the same marketable securities within one year.</p> <p>The one-year period referred to in the preceding paragraph is based on the date of occurrence of the transaction and is retroactively projected to one year, and the portion that has been announced in accordance with the provisions of the Procedures is not counted.</p> <p>The Company shall enter monthly, in the prescribed format, the information on derivative transactions engaged in by the Company and its subsidiaries that are not domestic public companies as of the end of the previous month on the information reporting website designated by the FSC by the tenth day of each month. If there is any error or omission in the</p>	<p>(2) The cumulative amount of transactions of the same nature with the same counterparty within one year</p> <p>(3) The cumulative amount of acquisition or disposal (acquisition or disposal separately) of real estate or its right-to-use assets of the same development project within one year.</p> <p>4. The cumulative amount of acquisition or disposal (acquisition or disposal, respectively) of the same marketable securities within one year.</p> <p>The one-year period referred to in the preceding paragraph is based on the date of occurrence of the transaction and is retroactively projected to one year, and the portion that has been announced in accordance with the provisions of the Procedures is not counted.</p> <p>The Company shall enter monthly, in the prescribed format, the information on derivative transactions engaged in by the Company and its subsidiaries that are not domestic public companies as of the end of the previous month on the information reporting website designated by the FSC by the tenth day of each month. If there is any error or omission in the Company's announcement, the Company shall re-announce and report all items within two days from the date of knowledge.</p> <p>When the Company acquires or disposes of assets, the Company shall keep the relevant contracts, minutes, docket, appraisal reports, and</p>	
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	<p>Company's announcement, the Company shall re-announce and report all items within two days from the date of knowledge. When the Company acquires or disposes of assets, the Company shall keep the relevant contracts, minutes, docket, appraisal reports, and opinions of accountants, lawyers, or securities underwriters in the Company for at least five years, unless otherwise required by other laws.</p>	<p>opinions of accountants, lawyers, or securities underwriters in the Company for at least five years, unless otherwise required by other laws.</p>	
Article 24	<p><b>Implementation Date</b> These guidelines are approved by the Audit Committee, approved by the Board of Directors, and submitted to the shareholders' meeting for approval and amendment. If any director expresses dissenting opinion and there is a record or written statement, the Company shall send the information of the dissenting opinion to the Audit Committee. When reporting the criteria for disposal or acquisition of assets to the board of directors for discussion in accordance with the preceding paragraph, the opinions of the independent directors shall be taken into full consideration, and any dissenting opinions or reservations of the independent directors shall be recorded in the minutes of the board of directors' meeting.</p>	<p><b>Implementation Date</b> These guidelines are approved by the Audit Committee, approved by the Board of Directors, and submitted to the shareholders' meeting for approval and amendment. If any director expresses dissenting opinion and there is a record or written statement, the Company shall send the information of the dissenting opinion to the Audit Committee. When reporting the criteria for disposal or acquisition of assets to the board of directors for discussion in accordance with the preceding paragraph, the opinions of the independent directors shall be taken into full consideration, and any dissenting opinions or reservations of the independent directors shall be recorded in the minutes of the board of directors' meeting. <u>This Standard is effective as of January 1, 2019.</u> <u>The amendments to this Standard shall be effective from the date of publication.</u></p>	Amendments to the law

## Hotel Holiday Garden

### Amendment Revisions of Procedures for Procedure of Shareholders' Meetings

Article	Clause before amendment	Clause after amendment	Purpose of amendment
Article 1	The Company's shareholders' meetings shall be conducted in accordance with these rules unless otherwise provided by law.	In order to establish a good governance system for the shareholders' meeting, improve the supervision function and strengthen the management function of the Company, I hereby set forth these rules in accordance with Article 5 of the Code of Corporate Governance Practices for Listed Companies for compliance.	Clause order and Text Adjustment
Article 2	<p>The Company shall specify in the notice of meeting the time and place of the shareholders' report and other matters to be noted. The aforementioned time for receiving shareholders' report shall be at least 30 minutes prior to the commencement of the meeting; the place for reporting shall be clearly marked, and adequate and appropriate personnel shall be assigned to handle the report.</p> <p>The Company shall not arbitrarily require any other documents to be provided as proof of the shareholders' attendance; the requester of the proxy shall bring along the identification documents for verification.</p> <p>The Company shall set up a sign-in book for the attending shareholders to sign in at the shareholders' meeting, or the attending shareholders shall pay a sign-in card instead of</p>	The Company's shareholders' meetings shall be conducted in accordance with these rules unless otherwise provided by law.	Clause order and Text Adjustment

	<p>signing in.</p> <p>The Company shall deliver the shareholders' handbook, annual report, attendance cards, speech slips, voting tickets and other meeting materials to the shareholders attending the shareholders' meeting; if there is an election of directors or supervisors, the election tickets shall be attached.</p> <p>If the government or a legal entity is a shareholder, there shall be no more than one representative present at the shareholders' meeting.</p> <p>The number of shares present shall be calculated based on the signature book or the attendance card paid, plus the number of shares exercising the voting rights by written or electronic means.</p> <p>The number of shares solicited and the number of shares represented by proxy shall be clearly disclosed in the shareholders' meeting on the date of the shareholders' meeting in a statistical form prepared in accordance with the prescribed format.</p> <p>The Company shall transmit to the Market Observation Post System (MOPS), within the prescribed time, any material information regarding the resolution of the shareholders' meeting that is required by law or the regulations of the Taiwan Stock Exchange Corporation (Taiwan Over-the-Counter Securities Trading Center).</p>		
Article 3	Unless otherwise provided by law, the Board of Directors shall convene a	Unless otherwise provided by law, a meeting of shareholders of the Company shall be	Amendments to the law Text

	<p>shareholders' meeting. The Company shall, 30 days prior to the regular shareholders' meeting or 15 days prior to the extraordinary shareholders' meeting, send the notice of the shareholders' meeting, the proxy form, the agenda and explanatory information of the proposals for recognition, discussion, election or dismissal of directors and supervisors, etc. to the Market Observation Post System (MOPS) as an electronic file. The shareholders' meeting manuals and supplementary information will be electronically transmitted to the Market Observation Post System no later than 21 days prior to the regular shareholders' meeting or 15 days prior to the extraordinary shareholders' meeting. Fifteen days prior to the shareholders' meeting, the shareholders' meeting manual and supplementary information shall be made available to the shareholders at any time and shall be displayed at the Company and the professional stock agent appointed by the Company, and shall be distributed at the shareholders' meeting. The notice and announcement shall state the reason for the convening; the notice may be given by</p>	<p>convened by the Board of Directors. Any change in the manner of convening a shareholders' meeting shall be resolved by the Board of Directors and shall be made at the latest before the mailing of the notice of the shareholders' meeting. The Company shall send the notice of the shareholders' meeting, the proxy form, and the agenda and explanatory information of the resolutions of recognition, discussion, election or dismissal of directors and supervisors to the Market Observation Post System (MOPS) as electronic files 30 days before the regular shareholders' meeting or 15 days before the shareholders' meeting. The Company also prepares and transmits to the Market Observation Post System (MOPS) an electronic file of the shareholders' meeting minutes and supplementary information to the Market Observation Post System (MOPS) no later than 21 days before the regular shareholders' meeting or 15 days before the extraordinary shareholders' meeting. However, if the Company's paid-in capital reached NT\$10 billion or more as of the end of the most recent fiscal year, or if the total percentage of foreign-invested and Mainland-invested shares recorded in the shareholders'</p>	Adjustment
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	<p>electronic means with the consent of the relevant parties.</p> <p>The election or dismissal of directors or supervisors, change of articles of incorporation, reduction of capital, application for suspension of public offering, permission for directors to compete for business, transfer of capital from earnings to capital, transfer of capital from reserves to capital, dissolution, merger, division, or any of the matters set forth in Article 185, paragraph 1, shall be listed in the cause of the meeting and the main contents shall be stated, and shall not be proposed as a temporary motion.</p> <p>After the completion of the election of directors and supervisors and the date of their appointment, the date of their appointment shall not be changed by a temporary motion or other means at the same meeting.</p> <p>A shareholder holding at least one percent of the issued shares may propose a motion to the Company for an ordinary shareholders' meeting, subject to the limit of one proposal, and any proposal exceeding one shall not be included in the motion. In addition, the Board of Directors may not include a shareholder's proposal in any of the</p>	<p>register at the most recent annual general meeting reached 30% or more, the Company shall complete the electronic transmission of the preceding files 30 days prior to the general meeting. A copy of the shareholders' meeting manual and supplementary information shall be made available to the shareholders 15 days prior to the shareholders' meeting and shall be displayed at the Company and the professional stock agent appointed by the Company and shall be distributed at the shareholders' meeting.</p> <p>The aforementioned handbook and supplementary information shall be made available to shareholders on the date of the shareholders' meeting in the following manner:</p> <p>(1) In the case of a physical shareholders' meeting, they shall be distributed on site at the shareholders' meeting.</p> <p>(2) When a video-assisted shareholders' meeting is held, they shall be distributed onsite at the shareholders' meeting and transmitted to the video-conferencing platform via electronic files.</p> <p>When a video shareholders' meeting is held, it shall be sent to the video conference platform by electronic file. The notice and announcement shall state the reason for the convening; if the notice is agreed by the relevant parties,</p>	
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	<p>circumstances set forth in Article 172-1, Paragraph 4 of the Company Act. However, the Board of Directors may include a proposal from a shareholder to urge the Company to promote the public interest or fulfill its social responsibility.</p> <p>The Company shall announce the acceptance of shareholders' proposals, the written or electronic means of acceptance, the place of acceptance, and the period of acceptance before the date of cessation of stock transfer prior to the shareholders' meeting; the period of acceptance shall not be less than ten days.</p> <p>A shareholder's proposal shall be limited to 300 words, and if the proposal exceeds 300 words, the proposal shall not be included in the motion; the proposing shareholder shall attend the shareholders' meeting in person or by proxy and participate in the discussion of the proposal.</p> <p>The Company shall notify the proposing shareholder of the results of the proceedings before the date of the notice of the shareholders' meeting, and shall include in the notice of the meeting those motions that comply with the provisions of this Article.</p> <p>The Board of Directors shall state the reasons for not</p>	<p>the notice may be given electronically.</p> <p>The election or dismissal of directors or supervisors, change of articles of incorporation, reduction of capital, application for suspension of public offering, permission for directors to compete for business, transfer of capital from earnings to capital, transfer of capital from reserves to capital, dissolution, merger, or division of the Company, or any of the matters set forth in Article 185, Paragraph 1, shall be listed and described in the cause of convening, and shall not be proposed as a temporary motion.</p> <p>After the completion of the election of directors and supervisors and the date of their appointment, the date of their appointment shall not be changed by a temporary motion or other means at the same meeting.</p> <p>A shareholder holding at least one percent of the issued shares may propose a motion to the Company for an ordinary shareholders' meeting, subject to the limit of one proposal, and any proposal exceeding one shall not be included in the motion.</p> <p>In addition, the Board of Directors may not include a proposal submitted by a shareholder under any of the circumstances set forth in Article 172-1, Paragraph 4 of the Company Act.</p>	
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	<p>including the proposal in the shareholders' meeting.</p> <p>Attendance and voting at shareholders' meetings shall be based on shares.</p> <p>The number of shares of non-voting shareholders shall not be counted as part of the total number of issued shares in the shareholders' meeting.</p> <p>A shareholder may not vote at a meeting if he or she has an interest in the meeting that would be detrimental to the Company's interests, and may not exercise his or her voting rights on behalf of another shareholder.</p> <p>The number of shares for which the Company may not exercise its voting rights as described above shall not be counted as the voting rights of the shareholders present.</p> <p>Except for trust companies or stock agencies approved by the securities authorities, if a person is appointed by more than two shareholders at the same time, the voting rights of the proxy shall not exceed 3% of the total number of issued shares, and the voting rights in excess of that shall not be counted.</p>	<p>A shareholder may propose a proposal to promote the public interest or fulfill social responsibility of the Company, but in accordance with the relevant provisions of Article 172-1 of the Company Act, the proposal shall be limited to one proposal, and any proposal exceeding one shall not be included in the resolution.</p> <p>The Company shall announce the acceptance of shareholders' proposals, the written or electronic means of acceptance, the place of acceptance, and the period of acceptance no less than ten days prior to the date of cessation of stock transfer prior to the shareholders' meeting; the period of acceptance shall not be less than ten days.</p> <p>A shareholder's proposal shall be limited to 300 words, and if the proposal exceeds 300 words, the proposal shall not be included in the motion; the proposing shareholder shall attend the shareholders' meeting in person or by proxy and participate in the discussion of the proposal.</p> <p>The Company shall notify the proposing shareholder of the results of the proceedings before the date of the notice of the shareholders' meeting, and shall include in the notice of the meeting those motions that comply with the provisions of this Article. The Board of Directors shall state the</p>	
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		reasons for not including the proposal in the shareholders' meeting.	
Article 4	The Company's shareholders' meetings shall be held at the place where the Company operates or at a place convenient for the shareholders to attend and suitable for the shareholders' meetings, and shall commence no earlier than 9:00 a.m. or later than 3:00 p.m. The place and time of the meeting shall be held with due consideration to the opinions of the independent directors.	<p>At each shareholders' meeting, shareholders may appoint a proxy to attend the shareholders' meeting by issuing a proxy form issued by the Company, stating the scope of authorization.</p> <p>A shareholder may issue one proxy, limited to one person, which shall be delivered to the Company five days prior to the shareholders' meeting, and in the event of duplication of proxies, the first to be delivered shall prevail. In the event of duplicate proxies, the first to be delivered shall be the first to be delivered.</p> <p>However, a declaration of revocation of a previous proxy shall be excluded. If a shareholder wishes to attend a shareholders' meeting in person after exercising his or her voting rights in writing or by electronic means, he or she shall revoke his or her intention to exercise his or her voting rights in the same manner as he or she exercised his or her voting rights two days prior to the shareholders' meeting; if the revocation is made after that time, the voting rights exercised in writing or by electronic means shall prevail. If a proxy is appointed in writing or electronically to attend the shareholders' meeting, the proxy's presence shall prevail.</p> <p>If a shareholder wishes to attend a shareholders' meeting by video after the proxy form is delivered to the Company, he/she shall give written notice</p>	Amendments to the law Clause order

		of revocation to the Company two days prior to the shareholders' meeting; if the revocation is late, the right to vote shall be exercised by proxy.	
Article 5	<p>The chairman of the shareholders' meeting shall be governed by Article 182-1 of the Company Act. If the shareholders' meeting is convened by the board of directors, the chairman of the meeting shall be the chairman of the board of directors. If the chairman of the board of directors is absent from office or is unable to exercise his or her duties for any reason, the vice chairman of the board of directors shall act as his or her proxy. The chairman of the board of directors shall be appointed by the chairman of the board of directors.</p> <p>If the chairman of the Board of Directors is represented by a managing director or a director, a managing director or a director who has been in office for at least six months and understands the financial condition of the Company shall serve as the chairman. The same applies if the chairman is a representative of a corporate director.</p> <p>The chairman of the board of directors shall preside in person at any shareholders' meeting called by the board of directors, and a majority of the board of directors, at least one supervisor shall be present in person, and at least one member of each</p>	<p>The Company's shareholders' meetings shall be held at the place where the Company operates or at a place convenient for the shareholders to attend and suitable for the shareholders' meetings, and shall commence no earlier than 9:00 a.m. or later than 3:00 p.m. The location and time of the meeting shall be determined with due consideration to the opinions of the independent directors.</p> <p>The Company shall not be restricted from convening a video shareholders' meeting at the aforementioned location.</p>	Amendments to the law Clause order Text Adjustment

	<p>functional committee shall be present to represent the board of directors, and the attendance shall be recorded in the minutes of the shareholders' meeting.</p> <p>If a shareholders' meeting is convened by someone other than the Board of Directors, the chairman of the meeting shall be the convener of the meeting, and if there are more than two conveners, one shall be elected from among themselves.</p>		
Article 6	<p>The meeting personnel who conduct the shareholders' meeting should wear identification cards for identification purposes.</p>	<p>The Company shall specify in the notice of meeting the time and place for the shareholders, requisitionists and proxy (hereinafter referred to as shareholders) to report to the meeting, and other matters to be noted.</p> <p>The aforementioned time for receiving shareholders' report shall be at least 30 minutes prior to the commencement of the meeting; the report office shall be clearly marked and adequate and appropriate personnel shall be assigned to handle the report; the shareholders who have completed the report shall be deemed to be present in person at the shareholders' meeting. Shareholders shall attend the shareholders' meeting with their attendance cards, attendance cards or other attendance documents, and the Company shall not arbitrarily add other documents to the proofs of shareholders' attendance.</p> <p>The Company shall maintain a sign-in book for the attending shareholders to sign in, or the attending shareholders shall</p>	<p>Clause order Text Adjustment</p>

		<p>pay a sign-in card instead of signing in.</p> <p>The Company shall deliver the shareholders' handbook, annual report, attendance cards, speech slips, voting tickets and other meeting materials to the shareholders attending the shareholders' meeting; if there is an election of directors or supervisors, the election tickets shall be attached.</p> <p>If the government or a legal entity is a shareholder, there shall be no more than one representative attending the shareholders' meeting. If a legal entity is entrusted to attend a shareholders' meeting, it may appoint only one representative to attend.</p> <p>If a shareholders' meeting is held by video conference, shareholders who wish to attend by video shall register with the Company two days prior to the shareholders' meeting.</p> <p>If a shareholders' meeting is held by video conference, the Company shall upload the meeting manual, annual report and other related information to the video conference platform at least 30 minutes prior to the meeting and continue to disclose them until the end of the meeting.</p> <p>The number of shares present is calculated based on the number of shares reported in the sign-in book or the signed-in card and the video conference platform, plus the number of shares exercising the voting rights by written or electronic means.</p>	
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<p>Article 6-1</p>		<p>The Company shall convene a video meeting of the shareholders' meeting by stating the following in the notice of the shareholders' meeting.</p> <p>(1) The shareholders' participation in the video conference and the method of exercising their rights.</p> <p>(2) The manner of handling obstacles to the video conference platform or video participation due to natural disasters, events or other force majeure circumstances, including at least the following:</p> <p>(1) The time when the meeting has to be postponed or renewed due to the continued failure to remove the obstacle before the occurrence, and the date when the meeting has to be postponed or renewed.</p> <p>(2) Shareholders who have not registered to participate in the original shareholders' meeting by video are not allowed to participate in the adjourned or postponed meeting.</p> <p>(c) If a video-assisted shareholders' meeting cannot be adjourned, the shareholders' meeting shall be continued if the total number of shares present reaches the legal quota for the shareholders' meeting after deducting the number of shares present at the shareholders' meeting by means of video, and the number of shares present at the shareholders' meeting by means of video shall be counted as the total</p>	<p>New with the law</p>
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		<p>number of shares present, and the shareholders shall be deemed to have abstained from voting on all motions at that shareholders' meeting.</p> <p>(4) In the event that the results of all motions have been announced and no provisional motion has been made, the Company shall handle the situation.</p> <p>The Company shall convene a video shareholders' meeting and shall specify the appropriate alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video.</p> <p>The Company may designate an attorney, accountant or related personnel to attend the shareholders' meeting.</p>	
Article 7	<p>The Company shall continuously record and tape the whole process of shareholders' report, meeting and vote counting from the time of receiving the shareholders' report. The aforementioned audio and video materials shall be kept for at least one year. However, if a shareholder files a lawsuit under Article 189 of the Company Act, it shall be kept until the end of the lawsuit.</p>	<p>If the shareholders' meeting is convened by the board of directors, the chairman of the meeting shall be the chairman of the board of directors. If the chairman of the board of directors is absent from office or is unable to exercise his or her duties for any reason, the vice chairman of the board of directors shall act as his or her proxy. The chairman of the board of directors shall be appointed by the chairman of the board of directors.</p> <p>If the chairman is represented by a managing director or a director, a managing director or a director who has been in office for at least six months and understands the financial condition of the Company shall serve as the chairman. The same applies if the chairman is a representative of a corporate</p>	<p>Clause order Text Adjustment</p>

		<p>director.</p> <p>The chairman of the board of directors shall preside in person at any shareholders' meeting called by the board of directors, and a majority of the board of directors, at least one supervisor shall be present in person, and at least one member of each functional committee shall be present to represent the board of directors, and the attendance shall be recorded in the minutes of the shareholders' meeting.</p> <p>If a shareholders' meeting is convened by a person other than the Board of Directors, the chairman of the meeting shall be that person, and if there are more than two persons with the right to convene the meeting, one of them shall be elected from among themselves.</p> <p>The Company may appoint an attorney, accountant or related personnel to attend the meeting.</p> <p>The Company may designate an attorney, accountant or related personnel to attend the shareholders' meeting.</p>	
Article 8	<p>When the meeting has been held, the chairman shall announce the meeting immediately and at the same time announce the number of non-voting shares and the number of shares present. The chairman shall announce the meeting immediately and shall also announce the number of non-voting shares and the number of shares present. However, if the shareholders representing more than half of the total number</p>	<p>The Company shall continuously record and tape the whole process of shareholders' report, meeting and vote counting from the time of receiving the shareholders' report. The aforementioned audio and video materials shall be kept for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, it shall be retained until the end of the lawsuit.</p> <p>If a shareholders' meeting is held by video conference, the Company shall keep records of the shareholders' registration, registration, attendance, questions, voting, and the Company's vote</p>	<p>Amendments to the law Clause order Text Adjustment</p>

	<p>of issued shares are not present, the chairman may announce the adjournment of the meeting for a maximum of two times, with the total time of the adjournment not exceeding one hour. If the meeting is adjourned for two times but the shareholders representing one-third or more of the total number of issued shares are still not present, the chairman shall declare the meeting adjourned. If there are not enough shareholders representing one-third or more of the total number of issued shares present after the second postponement of the aforementioned time, the meeting may be declared a sham resolution in accordance with Article 175, Paragraph 1 of the Company Act. The shareholders shall be notified of the bogus resolution and a shareholders' meeting shall be reconvened within one month; if the shareholders' meeting is convened by video conference.</p> <p>If, before the conclusion of the meeting, the number of shares represented by the shareholders present reaches more than half of the total number of shares issued, the chairman may</p>	<p>counting results, and shall record and tape the entire video conference continuously and uninterruptedly.</p> <p>The Company shall keep the aforementioned information and audio and video recordings for the duration of the meeting, and provide the audio and video recordings to the person entrusted with the video meeting for retention.</p> <p>If a shareholders' meeting is held by video conference, the Company shall record and record the operation interface of the backend of the video conference platform.</p>	
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	re-submit the fictitious resolution made to the shareholders' meeting for resolution in accordance with Article 174 of the Company Act.		
Article 9	<p>If a shareholders' meeting is convened by the board of directors, the agenda shall be set by the board of directors. The relevant motions (including provisional motions and amendments to original motions) shall be voted on a case-by-case basis, and the meeting shall proceed according to the scheduled agenda, which cannot be changed without a resolution of the shareholders' meeting.</p> <p>If the shareholders' meeting is convened by a person other than the board of directors with the right to convene, the preceding provisions shall apply. The chairman of the meeting may not adjourn the meeting without a resolution before the end of the agenda as set forth in the preceding two items. If the chairman of the meeting adjourns the meeting in violation of the rules of procedure, he/she may elect a chairman to resume the</p>	<p>Attendance at shareholders' meetings shall be calculated on the basis of shares. The number of shares present shall be calculated based on the number of shares reported in the sign-in book or the attendance card and the video conference platform, plus the number of shares exercising the voting rights by written or electronic means.</p> <p>The chairman of the meeting shall announce the meeting immediately and announce the number of non-voting shares and the number of shares present at the same time. However, if the shareholders representing more than half of the issued shares are not present, the chairman may announce the adjournment of the meeting for a maximum of two times, with the total time of the adjournment not exceeding one hour. If the meeting is held by video conference, the Company shall also announce the adjournment on the video conference platform of the shareholders' meeting. If less than one-third of the total number of issued shares are still present after the second postponement of the aforementioned meeting, a sham resolution may be made in accordance with Article 175(1) of the Company Act. If a shareholders' meeting is held by video conference, shareholders who wish to attend the meeting by video shall re-register with the Company in accordance with Article 2.</p>	<p>Amendments to the law Clause order Text Adjustment</p>

	<p>meeting with the consent of a majority of the shareholders present. After the meeting is adjourned, the shareholders may not elect another chairman to hold the meeting at the same place or another venue.</p>	<p>If, before the conclusion of the meeting, the number of shares represented by the shareholders present has reached more than half of the total number of shares issued, the chairman may re-submit the bogus resolution made to the shareholders' meeting for resolution in accordance with Article 174 of the Company Act.</p>	
Article 10	<p>Before a shareholder attends to speak, he/she must fill in a speech slip stating the main points of the speech, the shareholder's account number or attendance card number and the name of the account, and the chairman shall determine the order of his/her speech. A shareholder who merely mentions the speech slip without speaking is deemed not to have spoken. If the content of the speech is different from that of the speech slip, the content of the speech shall prevail. When a shareholder is present, other shareholders shall not interfere with the speech except with the consent of the chairman and the shareholder who is speaking, and the chairman shall stop any violation.</p>	<p>If a shareholders' meeting is convened by the board of directors, the agenda shall be set by the board of directors. The relevant motions (including provisional motions and amendments to original motions) shall be voted on a case-by-case basis, and the meeting shall proceed according to the scheduled agenda, which cannot be changed without a resolution of the shareholders' meeting.</p> <p>If the shareholders' meeting is convened by a person other than the board of directors with the right to convene, the preceding provisions shall apply. The chairman of the meeting may not adjourn the meeting without a resolution before the end of the agenda as set forth in the preceding two items. If the chairman violates the rules of procedure and adjourns the meeting, the other members of the board of directors shall promptly assist the shareholders present in accordance with the legal procedures and elect a chairman to resume the meeting with the consent of a majority of the shareholders present. The chairman</p>	<p>Amendments to the law Clause order Text Adjustment</p>

		shall give sufficient explanation and opportunity to discuss the motion and any amendments or temporary motions proposed by the shareholders, and when he/she considers that the meeting has reached the level of being ready for voting, he/she may declare the meeting closed and put it to a vote, and arrange an appropriate time for voting.	
Article 11	Each shareholder shall not speak more than twice on the same motion, and each time shall not exceed five minutes, without the consent of the chairman. If a shareholder speaks in violation of the foregoing provisions or exceeds the scope of the subject matter, the chairman may stop his or her speech or make other appropriate disposition.	<p>Before a shareholder attends to speak, he/she must fill in a speech slip stating the main points of the speech, the shareholder's account number or attendance card number and the name of the account, and the chairman shall determine the order of his/her speech.</p> <p>A shareholder who merely mentions the speech slip without speaking is deemed not to have spoken. If there is any discrepancy between the content of the speech and the speech slips, the content of the speech shall prevail.</p> <p>Each shareholder may not speak more than twice on the same motion and each time may not exceed five minutes without the consent of the chairman, except that the chairman may stop a shareholder from speaking if he/she violates the regulations or exceeds the scope of the question.</p> <p>When a shareholder is present to speak, other shareholders shall not interfere with the speech except with the consent of the chairman and the shareholder speaking, and the chairman shall stop any violation.</p> <p>If a corporate shareholder designates two or more representatives to attend a shareholders' meeting, only one</p>	Amendments to the law Clause order Text Adjustment

		<p>person may speak on the same motion.</p> <p>After the shareholders present have spoken, the chairman may reply in person or designate a relevant person to reply.</p> <p>If the shareholders' meeting is convened by video conference, shareholders participating by video may ask questions by text on the video conference platform after the chairman announces the opening of the meeting and before the meeting is adjourned, and the number of questions shall not exceed two for each motion, and each time shall be limited to 200 words.</p> <p>If the preceding questions do not violate the regulations or do not exceed the scope of the motion, it is appropriate to disclose the questions on the video conference platform of the shareholders' meeting for public information.</p>	
Article 12	<p>When a corporation is entrusted to attend a shareholders' meeting, the corporation may appoint only one representative to attend the meeting.</p> <p>If a corporate shareholder appoints more than two representatives to attend a shareholders' meeting, only one person may speak on the same motion.</p>	<p>Attendance and voting at shareholders' meetings shall be based on the number of shares.</p> <p>The number of shares of non-voting shareholders shall not be counted as part of the total number of shares issued.</p> <p>A shareholder may not vote at a meeting if he or she has an interest in the meeting that would be detrimental to the Company's interests, and may not exercise his or her voting rights on behalf of another shareholder.</p> <p>The number of shares for which the Company may not exercise its voting rights as described above shall not be counted as the voting rights of the shareholders present.</p> <p>Except for a trust company or a stock agency approved by the securities authority, if a person is appointed by more than two</p>	<p>Clause order</p> <p>Text Adjustment</p>

		<p>shareholders at the same time, the voting rights of the proxy shall not exceed 3% of the total number of issued shares, and the voting rights in excess shall not be counted.</p> <p>When a legal entity is entrusted to attend a shareholders' meeting, the legal entity may appoint only one representative to attend the meeting.</p>	
Article 13	<p>After a shareholder has spoken, the chairman may reply in person or designate the relevant person.</p>	<p>Each shareholder shall have one vote per share, except for those who are restricted or have no voting rights as listed in Article 179, Paragraph 2 of the Company Act.</p> <p>The Company shall convene a shareholders' meeting by electronic means and may exercise its voting rights in writing; when exercising its voting rights in writing or electronically, the method of exercise shall be stated in the notice of the shareholders' meeting. A shareholder who exercises his or her voting rights in writing or electronically shall be deemed to be present in person at the shareholders' meeting. However, the Company shall be deemed to have abstained from proposing provisional motions and amendments to original motions in connection with such shareholders' meetings, and is therefore advised to refrain from proposing provisional motions and amendments to original motions.</p> <p>In the event of duplication of intent, the first to be delivered shall prevail. In the event of a duplication of intent, the first to be delivered shall prevail. However, a declaration of revocation of the previous intent shall be excluded.</p> <p>If a shareholder wishes to attend a shareholders' meeting in person or by video after exercising his or her</p>	<p>Amendments to the law  Clause order  Text Adjustment</p>

		<p>voting rights in writing or by electronic means, he or she shall revoke his or her previous intention to exercise his or her voting rights in the same manner as he or she exercised his or her voting rights two days prior to the shareholders' meeting; if the revocation is made after that time, the voting rights exercised in writing or by electronic means shall prevail. If the right to vote is exercised in writing or electronically and a proxy is appointed to attend the shareholders' meeting by proxy, the voting right exercised by the proxy shall prevail.</p> <p>Unless otherwise provided in the Company Law and the Company's Articles of Incorporation, a vote by a majority of the votes of the shareholders present shall be required. In the event of a vote, the chairman or his or her designee shall announce the total number of votes of the shareholders present on a case-by-case basis, and then the shareholders shall vote on each case, and the results of the shareholders' approval, disapproval and abstention shall be entered into the Market Observation Post System on the day after the shareholders' meeting.</p> <p>If there are amendments or substitutions to the same motion, the Chairman shall determine the order of voting together with the original motion. If one of the motions has been approved, the other motions shall be deemed to be rejected and no further voting shall be required.</p> <p>The chairman shall designate the person who shall monitor and count the votes on the motions, but the person who monitors the votes shall be a shareholder.</p> <p>The counting of votes on motions for shareholders' meetings or</p>	
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		<p>elections shall be conducted in an open place on the floor of the shareholders' meeting, and the voting results, including the number of votes counted, shall be announced and recorded on the spot after the counting of votes is completed.</p> <p>The Company shall convene a video conference for shareholders to participate in the shareholders' meeting by video, and after the chairman announces the opening of the meeting, the shareholders shall vote on the motions and the election motions through the video conference platform, and the voting shall be completed before the chairman announces the end of the voting, and any delay shall be deemed to be an abstention.</p> <p>If the shareholders' meeting is convened by video conference, a one-time vote count shall be conducted and the voting and election results shall be announced after the chairman announces the close of voting.</p> <p>When the Company convenes a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting by video in accordance with Article 6 and wish to attend the physical shareholders' meeting in person shall deregister in the same manner as they registered two days prior to the shareholders' meeting; if they deregister after the deadline, they may attend the shareholders' meeting by video only.</p> <p>A shareholder who has exercised his or her voting rights in writing or electronically and has not revoked his or her intention to attend the shareholders' meeting by video means may not exercise his or her</p>	
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		voting rights on the original motion or propose amendments to the original motion or exercise his or her voting rights on amendments to the original motion, except for a temporary motion.	
Article 14	The chairman shall give full explanations and opportunities for discussion on the motions and the amendments or interim motions proposed by shareholders, and when he deems that the resolution has reached the level of voting, he may announce the suspension of discussion and voting. And arrange adequate voting time.	When the shareholders' meeting elects directors and supervisors, it shall be handled in accordance with the relevant selection and appointment regulations set by the company, and the election results shall be announced on the spot, including the list of elected directors and supervisors and their election rights, and the list of unsuccessful directors and supervisors and their voting rights. . The ballots for the election matters in the preceding paragraph shall be sealed and signed by the scrutineers, and shall be kept in a safe place for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded. The chairman shall give full explanations and opportunities for discussion on the motions and the amendments or interim motions proposed by shareholders, and when he deems that the resolution has reached the level of voting, he may announce the suspension of discussion and voting. And arrange adequate voting time.	Clause order Text Adjustment
Article 15	The chairman shall appoint the scrutineers and vote-counters for voting on motions or election matters. However, the scrutineers	The minutes of the shareholders' meeting shall be prepared, signed or sealed by the chairman, and distributed to the shareholders within 20 days after the meeting. The minutes may be prepared and	Amendments to the law Clause order Text Adjustment

	<p>shall have the status of shareholders.</p> <p>The counting of votes for a shareholder's meeting or election shall be conducted in an open place on the floor of the shareholders' meeting, and the voting results, including the number of votes counted, shall be announced and recorded on the spot after the counting of votes is completed.</p>	<p>distributed electronically.</p> <p>The aforementioned minutes may be distributed by means of an announcement entered into the Market Observation Post System.</p> <p>The Company shall record the year, month, day, place, name of the chairman, method of resolution, main points of the proceedings, and voting results (including the number of votes counted) of the meeting, and shall disclose the number of votes received by each candidate in the event of an election of directors or supervisors.</p> <p>The minutes shall be kept permanently for the duration of the Company's existence.</p> <p>If a shareholders' meeting is convened by video conference, the minutes of the meeting shall include, in addition to the matters required to be recorded in the preceding paragraph, the time of the shareholders' meeting, the manner in which the meeting was convened, the names of the chairman and the minutes, and the manner and circumstances under which the video conference platform or video participation was hindered due to natural disasters, events or other force majeure circumstances.</p> <p>In addition to the aforementioned provisions, the Company shall convene a video shareholders' meeting and include in the minutes of the meeting alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video means.</p>	
Article 16	<p>During a meeting, the chairman may announce a break at his discretion.</p> <p>In the event of</p>	<p>The number of shares solicited by the requester, the number of shares represented by proxy and the number of shares attended by</p>	<p>Clause order Text Adjustment</p>

	<p>unavoidable circumstances, the chairman may decide to suspend the meeting and announce the time of resumption of the meeting as appropriate. If the meeting venue cannot be used before the agenda of the shareholders' meeting (including temporary motions) is concluded, the shareholders' meeting may resolve to find another venue to continue the meeting.</p> <p>In accordance with Article 182 of the Company Act, the shareholders' meeting may resolve to postpone or adjourn the meeting within five days.</p>	<p>shareholders in writing or electronically shall be clearly disclosed in the shareholders' meeting room on the date of the shareholders' meeting in a statistical form prepared in accordance with the prescribed format; if the shareholders' meeting is held by video conference, the Company shall upload the aforementioned information to the video conference platform of the shareholders' meeting at least thirty minutes before the start of the meeting and continue to disclose it until the meeting. The Company shall upload the aforementioned information to the video conference platform at least thirty minutes prior to the commencement of the meeting and continue to disclose it until the end of the meeting. The Company shall disclose the total number of shares of shareholders present on the video conference platform at the time of announcing the commencement of the shareholders' meeting when the Company convenes a video conference. The same applies if the total number of shares and voting rights of the shareholders present are also counted during the meeting.</p> <p>If the resolution of the shareholders' meeting is a material information required by laws and regulations or by the Taiwan Stock Exchange Corporation (Taiwan Over-the-Counter Securities Trading Center), the Company shall transmit the content to the Market Observation Post System (MOPS) within the prescribed time.</p>	
Article 17	Each shareholder shall have one vote per share,	The meeting personnel conducting the shareholders' meeting shall	Clause order Text Adjustment

	<p>except for those who are restricted or have no voting rights as listed in Article 179, Paragraph 2 of the Company Act. The Company shall convene a shareholders' meeting by electronic means and may exercise its voting rights in writing; when exercising its voting rights in writing or electronically, the method of exercise shall be stated in the notice of the shareholders' meeting. A shareholder who exercises his or her voting rights in writing or electronically shall be deemed to be present in person at the shareholders' meeting. However, the Company shall be deemed to have abstained from proposing provisional motions and amendments to original motions in connection with such shareholders' meetings, and is therefore advised to refrain from proposing provisional motions and amendments to original motions.</p> <p>In the event of duplication of intent, the first to be delivered shall prevail. In the event of a duplication of intent, the first to be delivered shall prevail. However, a declaration of revocation of the previous intent shall be excluded.</p> <p>If a shareholder wishes to attend a shareholders' meeting in person after</p>	<p>wear identification cards or armbands.</p> <p>The chairman may direct the marshals or security personnel to assist in maintaining order at the meeting. When the inspectors or security guards are present to assist in maintaining order, they shall wear "inspector" armbands. When assisting in maintaining order at the meeting venue, the chairman shall wear an armband or an identification badge with the word "inspector". If the meeting venue is equipped with sound amplifying equipment, the chairman may stop the shareholders from speaking other than through the equipment provided by the Company. If a shareholder disobeys the chairman's correction for violation of the rules of procedure and obstructs the proceedings of the meeting, the chairman may direct the inspector or security personnel to ask him/her to leave the meeting.</p> <p>Each shareholder shall have one vote per share, except for those who are restricted or have no voting rights as listed in Article 179(2) of the Company Act.</p> <p>The Company shall convene a shareholders' meeting by electronic means and may exercise its voting rights in writing; the method of exercising its voting rights in writing or electronically shall be set forth in the notice of the shareholders' meeting. A shareholder who exercises his or her voting rights in writing or electronically shall be deemed to be present in person at the shareholders' meeting. However, the Company shall be deemed to have abstained from proposing provisional motions and amendments to original motions in connection with such shareholders'</p>	
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	<p>exercising his or her voting rights in writing or by electronic means, he or she shall revoke his or her previous intention to exercise his or her voting rights in the same manner as he or she exercised his or her voting rights two days prior to the shareholders' meeting; if the revocation is made after that time, the voting rights exercised in writing or by electronic means shall prevail. If a proxy is appointed in writing or electronically to attend a shareholders' meeting, the proxy's presence shall prevail.</p> <p>Except as otherwise provided in the relevant laws and regulations or the Company's Articles of Incorporation, a majority of the votes of the shareholders present shall be cast. In the case of voting, the chairman or his or her designee shall announce the total number of voting rights of shareholders present on a case-by-case basis, and then the shareholders shall vote on the motion on a case-by-case basis, and the results of shareholders' approval, disapproval and abstention shall be entered into the Market Observation Post System on the day after the shareholders' meeting.</p> <p>In the case of election of directors and supervisors at the shareholders'</p>	<p>meetings, and is therefore advised to refrain from proposing provisional motions and amendments to original motions. In the event of duplication of intent, the first to be delivered shall prevail. In the event of a duplication of intent, the first to be delivered shall prevail. However, a declaration of revocation of the previous intent shall not be allowed.</p> <p>Unless otherwise provided in the relevant laws and regulations or the Company's Articles of Incorporation, a majority of the votes of the shareholders present shall be required to vote on a motion. In the event of a vote, the chairman or his or her designee shall announce the total number of votes of shareholders present on a case-by-case basis, and then the shareholders shall vote on the motion on a case-by-case basis, and the results of the shareholders' approval, disapproval and abstention shall be entered into the Market Observation Post System on the day after the shareholders' meeting.</p>	
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	<p>meeting, the election results shall be announced on the spot, including the list of elected directors and supervisors and the number of their elected rights, as well as the list of unsuccessful directors and supervisors and the number of their elected rights.</p> <p>The election ballots for the aforementioned election shall be sealed and signed by the scrutineers and kept in a safe place for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, it shall be kept until the end of the lawsuit.</p>		
Article 18	<p>If there are amendments or substitutions to the same motion, the Chairman shall determine the order of voting on them together with the original motion. If one of the motions has been approved, the other motions shall be deemed to be rejected and shall not be voted on again. The minutes of the shareholders' meeting shall be prepared, signed or sealed by the chairman, and distributed to the shareholders within 20 days after the meeting. The minutes may be prepared and</p>	<p>In the event of an unavoidable situation, the chairman may decide to temporarily suspend the meeting and announce the time of resumption of the meeting as appropriate.</p> <p>If the agenda of the shareholders' meeting cannot be used before the end of the meeting (including temporary motions), the shareholders' meeting may resolve to find another venue to continue the meeting.</p> <p>In accordance with Article 182 of the Company Act, the shareholders' meeting may resolve to postpone or adjourn the meeting within five days.</p>	<p>Clause order Text Adjustment</p>

	<p>distributed electronically. The aforementioned minutes may be distributed by means of an announcement entered into the Market Observation Post System. The Company shall record the year, month, day, place, name of the chairman, method of resolution, main points of the proceedings, and voting results (including the number of votes) of the meeting, and in the case of election of directors and supervisors, the number of votes received by each candidate. The records shall be kept permanently for the duration of the Company's existence.</p>		
Article 19	<p>The chairperson may direct marshals or security personnel to assist in maintaining order in the meeting. When assisting in the maintenance of order, the inspectors or security personnel shall wear the "inspector" armband or identification card. If the meeting venue is equipped with sound amplifying equipment, the chairman may stop the shareholders from speaking other than through the equipment</p>	<p>If a shareholders' meeting is held by video conference, the Company shall disclose the voting results of each motion and election results on the video conference platform of the shareholders' meeting immediately after the close of voting in accordance with the regulations, and shall continue to disclose the results for at least fifteen minutes after the meeting is adjourned by the chairman.</p>	New with the law

	<p>provided by the Company. If a shareholder disobeys the chairman's correction for violation of the rules of procedure and obstructs the proceedings of the meeting, the chairman may direct the inspector or security personnel to ask him/her to leave the meeting.</p>		
Article 20	<p>These rules shall come into effect upon the approval of the shareholders' meeting, and upon amendment.</p>	<p>When the Company holds a video shareholders' meeting, the chairman and the recorder shall be present at the same place in the country, and the chairman shall announce the address of such place at the time of the meeting.</p>	New with the law
Article 21		<p>If a shareholders' meeting is convened by video conference, the Company may provide a simple connection test for shareholders before the meeting and provide relevant services immediately before and during the meeting to help deal with technical problems of communication.</p> <p>If a shareholders' meeting is convened by video conference, the chairman shall announce separately at the time of the announcement of the meeting that, except for the circumstances specified in Article 44-24 of the Guidelines Governing the Handling of Stock Issuances by Public Companies that do not require the adjournment or continuation of the meeting, if, before the chairman announces the adjournment of the meeting, there is an impediment to participation on the video conference platform or by means of video for a period</p>	New with the law

		<p>of 30 minutes or more due to a natural disaster, event or other force majeure, the meeting shall be adjourned within five days. The provisions of Article 182 of the Company Act shall not apply to the date of extension or renewal of the meeting.</p> <p>In the event of an adjournment or renewal of a meeting under the preceding paragraph, shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the adjourned or renewed meeting. If a shareholder who has registered to participate in the original shareholders' meeting by video message and has completed reporting for the meeting, but has not participated in the adjourned or reconvened meeting, the number of shares, voting rights and election rights exercised at the original shareholders' meeting shall be counted as the total number of shares, voting rights and election rights of the shareholders present at the adjourned or reconvened meeting.</p> <p>In the event of an adjournment or an adjournment of a shareholders' meeting in accordance with the second paragraph, it is not necessary to discuss and resolve again any motion that has completed the voting and counting of votes and announced the voting results or the election of directors and supervisors.</p> <p>When the Company holds a video-assisted shareholders' meeting and the second paragraph cannot be renewed, if the total number of shares present still reaches the legal quota for the shareholders' meeting after deducting the number of shares attended by video, the shareholders'</p>	
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		<p>meeting shall continue without any adjournment or renewal of the meeting in accordance with the second paragraph.</p> <p>In the event that a meeting should be continued, the number of shares attended by the shareholders participating in the shareholders' meeting by video shall be counted as the total number of shares attended, but the shareholders shall be deemed to have abstained from voting on all motions at the shareholders' meeting.</p> <p>If the Company adjourns or renews a meeting in accordance with paragraph 2, the Company shall comply with the provisions of Article 44, Paragraph 27 of the Guidelines Governing the Procedures of Public Companies, and shall follow the original date of the shareholders' meeting and the relevant preliminaries set forth in each of those articles.</p> <p>If a public company attends a shareholders' meeting using the period specified in the latter part of Article 12 and Item 3 of Article 13 of the Rules Governing the Use of Proxy Forms, Item 2 of Article 44-5, Item 15 of Article 44 and Item 1 of Article 44-17 of the Guidelines Governing the Handling of Stock Issuances by Public Companies, the Company shall follow the date of the shareholders' meeting for the adjournment or renewal of the meeting as stipulated in Item 2.</p>	
Article 22		When the Company holds a video shareholders' meeting, the Company shall provide appropriate alternative measures for	New with the law

		shareholders who have difficulty attending the shareholders' meeting by video.	
Article 23		These Rules shall come into effect upon the approval of the shareholders' meeting, and upon amendment.	New with the law Clause order

## **Hotel Holiday Garden**

### **Regulations of shareholders' meeting**

Article 1: The Company's shareholders' meetings shall be conducted in accordance with these rules unless otherwise provided by law.

Article 2: The Company shall specify in the notice of meeting the time and place of the shareholders' report and other matters to be noted.

The aforementioned time for receiving shareholders' report shall be at least 30 minutes prior to the commencement of the meeting; the place for reporting shall be clearly marked, and adequate and appropriate personnel shall be assigned to handle the report.

The Company shall not arbitrarily require any other documents to be provided as proof of the shareholders' attendance; the requester of the proxy shall bring along the identification documents for verification.

The Company shall set up a sign-in book for the attending shareholders to sign in at the shareholders' meeting, or the attending shareholders shall pay a sign-in card instead of signing in.

The Company shall deliver the shareholders' handbook, annual report, attendance cards, speech slips, voting tickets and other meeting materials to the shareholders attending the shareholders' meeting; if there is an election of directors or supervisors, the election tickets shall be attached.

If the government or a legal entity is a shareholder, there shall be no more than one representative present at the shareholders' meeting.

The number of shares present shall be calculated based on the signature book or the attendance card paid, plus the number of shares exercising the voting rights by written or electronic means.

The number of shares solicited and the number of shares represented by proxy shall be clearly disclosed in the shareholders' meeting on the date of the shareholders' meeting in a statistical form prepared in accordance with the prescribed format.

The Company shall transmit to the Market Observation Post System (MOPS), within the prescribed time, any material information regarding the resolution of the shareholders' meeting that is required by law or the regulations of the Taiwan Stock Exchange Corporation (Taiwan Over-the-Counter Securities Trading Center).

Article 3: Unless otherwise provided by law, the Board of Directors shall convene a shareholders' meeting.

The Company shall, 30 days prior to the regular shareholders' meeting or 15 days prior to the extraordinary shareholders' meeting, send the notice of the shareholders' meeting, the proxy form, the agenda and explanatory information of the proposals for recognition, discussion, election or dismissal of directors and supervisors, etc. to the Market Observation Post System (MOPS) as an electronic file. The shareholders' meeting manuals and supplementary information will be electronically transmitted to the Market Observation Post System no later than 21 days prior to the regular shareholders' meeting or 15 days prior to the extraordinary shareholders' meeting. Fifteen days prior to the shareholders' meeting, the shareholders' meeting manual and supplementary information shall be made available to the shareholders at any time and shall be displayed at the Company and the professional stock agent appointed by the Company, and shall be distributed at the shareholders' meeting.

The notice and announcement shall state the reason for the convening; the notice may be given by electronic means with the consent of the relevant parties.

The election or dismissal of directors or supervisors, change of articles of incorporation, reduction of capital, application for suspension of public offering, permission for directors to compete for business, transfer of capital from earnings to capital, transfer of capital from reserves to capital, dissolution, merger, division, or any of the matters set forth in Article 185, paragraph 1, shall be listed in the cause of the meeting and the main contents shall be stated, and shall not be proposed as a temporary motion.

After the completion of the election of directors and supervisors and the date of their appointment, the date of their appointment shall not be changed by a temporary motion or other means at the same meeting.

A shareholder holding at least one percent of the issued shares may propose a motion to the Company for an ordinary shareholders' meeting, subject to the limit of one proposal, and any proposal exceeding one shall not be included in the motion. In addition, the Board of Directors may not include a shareholder's proposal in any of the circumstances set forth in Article 172-1, Paragraph 4 of the Company Act.

However, the Board of Directors may include a proposal from a shareholder to urge the Company to promote the public interest or fulfill its social responsibility.

The Company shall announce the acceptance of shareholders' proposals, the written or electronic means of acceptance, the place of acceptance, and the period of acceptance before the date of cessation of stock transfer prior to the shareholders' meeting; the period of acceptance shall not be less than ten days.

A shareholder's proposal shall be limited to 300 words, and if the proposal exceeds 300 words, the proposal shall not be included in the motion; the proposing shareholder shall attend the shareholders' meeting in person or by proxy and participate in the discussion of the proposal.

The Company shall notify the proposing shareholder of the results of the proceedings before the date of the notice of the shareholders' meeting, and shall include in the notice of the meeting those motions that comply with the provisions of this Article. The Board of Directors shall state the reasons for not including the proposal in the shareholders' meeting.

Attendance and voting at shareholders' meetings shall be based on shares.

The number of shares of non-voting shareholders shall not be counted as part of the total number of issued shares in the shareholders' meeting.

A shareholder may not vote at a meeting if he or she has an interest in the meeting that would be detrimental to the Company's interests, and may not exercise his or her voting rights on behalf of another shareholder.

The number of shares for which the Company may not exercise its voting rights as described above shall not be counted as the voting rights of the shareholders present.

Except for trust companies or stock agencies approved by the securities authorities, if a person is appointed by more than two shareholders at the same time, the voting rights of the proxy shall not exceed 3% of the total number of issued shares, and the voting rights in excess of that shall not be counted.

Article 4: The Company's shareholders' meetings shall be held at the place where the Company operates or at a place convenient for the shareholders to attend and suitable for the shareholders' meetings, and shall commence no earlier than 9:00 a.m. or later than 3:00 p.m. The place and time of the meeting shall be held with due consideration to the opinions of the independent directors.

Article 5: The chairman of the shareholders' meeting shall be governed by Article 182-1 of the Company Act.

If the shareholders' meeting is convened by the board of directors, the chairman of the meeting shall be the chairman of the board of directors. If the chairman of the board of directors is absent from office or is unable to

exercise his or her duties for any reason, the vice chairman of the board of directors shall act as his or her proxy. The chairman of the board of directors shall be appointed by the chairman of the board of directors. If the chairman of the Board of Directors is represented by a managing director or a director, a managing director or a director who has been in office for at least six months and understands the financial condition of the Company shall serve as the chairman. The same applies if the chairman is a representative of a corporate director.

The chairman of the board of directors shall preside in person at any shareholders' meeting called by the board of directors, and a majority of the board of directors, at least one supervisor shall be present in person, and at least one member of each functional committee shall be present to represent the board of directors, and the attendance shall be recorded in the minutes of the shareholders' meeting.

If a shareholders' meeting is convened by someone other than the Board of Directors, the chairman of the meeting shall be the convener of the meeting, and if there are more than two conveners, one shall be elected from among themselves.

Article 6: The meeting personnel who conduct the shareholders' meeting should wear identification cards for identification purposes.

Article 7: The Company shall continuously record and tape the whole process of shareholders' report, meeting and vote counting from the time of receiving the shareholders' report. The aforementioned audio and video materials shall be kept for at least one year. However, if a shareholder files a lawsuit under Article 189 of the Company Act, it shall be kept until the end of the lawsuit.

Article 8: When the meeting has been held, the chairman shall announce the meeting immediately and at the same time announce the number of non-voting shares and the number of shares present. The chairman shall announce the meeting immediately and shall also announce the number of non-voting shares and the number of shares present. However, if the shareholders representing more than half of the total number of issued shares are not present, the chairman may announce the adjournment of the meeting for a maximum of two times, with the total time of the adjournment not exceeding one hour. If the meeting is adjourned for two times but the shareholders representing one-third or more of the total number of issued shares are still not present, the chairman shall declare the meeting adjourned. If there are not enough shareholders representing one-third or more of the

total number of issued shares present after the second postponement of the aforementioned time, the meeting may be declared a sham resolution in accordance with Article 175, Paragraph 1 of the Company Act. The shareholders shall be notified of the bogus resolution and a shareholders' meeting shall be reconvened within one month; if the shareholders' meeting is convened by video conference.

If, before the conclusion of the meeting, the number of shares represented by the shareholders present reaches more than half of the total number of shares issued, the chairman may re-submit the fictitious resolution made to the shareholders' meeting for resolution in accordance with Article 174 of the Company Act.

Article 9: If a shareholders' meeting is convened by the board of directors, the agenda shall be set by the board of directors. The relevant motions (including provisional motions and amendments to original motions) shall be voted on a case-by-case basis, and the meeting shall proceed according to the scheduled agenda, which cannot be changed without a resolution of the shareholders' meeting.

If the shareholders' meeting is convened by a person other than the board of directors with the right to convene, the preceding provisions shall apply. The chairman of the meeting may not adjourn the meeting without a resolution before the end of the agenda as set forth in the preceding two items. If the chairman of the meeting adjourns the meeting in violation of the rules of procedure, he/she may elect a chairman to resume the meeting with the consent of a majority of the shareholders present. After the meeting is adjourned, the shareholders may not elect another chairman to hold the meeting at the same place or another venue.

Article 10: Before a shareholder attends to speak, he/she must fill in a speech slip stating the main points of the speech, the shareholder's account number or attendance card number and the name of the account, and the chairman shall determine the order of his/her speech.

A shareholder who merely mentions the speech slip without speaking is deemed not to have spoken. If the content of the speech is different from that of the speech slip, the content of the speech shall prevail.

When a shareholder is present, other shareholders shall not interfere with the speech except with the consent of the chairman and the shareholder who is speaking, and the chairman shall stop any violation.

- Article 11: Each shareholder shall not speak more than twice on the same motion, and each time shall not exceed five minutes, without the consent of the chairman. If a shareholder speaks in violation of the foregoing provisions or exceeds the scope of the subject matter, the chairman may stop his or her speech or make other appropriate disposition.
- Article 12: When a corporation is entrusted to attend a shareholders' meeting, the corporation may appoint only one representative to attend the meeting. If a corporate shareholder appoints more than two representatives to attend a shareholders' meeting, only one person may speak on the same motion.
- Article 13: After a shareholder has spoken, the chairman may reply in person or designate the relevant person.
- Article 14: The chairman shall give full explanations and opportunities for discussion on the motions and the amendments or interim motions proposed by shareholders, and when he deems that the resolution has reached the level of voting, he may announce the suspension of discussion and voting. And arrange adequate voting time.
- Article 15: The chairman shall appoint the scrutineers and vote-counters for voting on motions or election matters. However, the scrutineers shall have the status of shareholders. conducted in an open place on the floor of the shareholders' meeting, and the voting results, including the number of votes counted, shall be announced and recorded on the spot after the counting of votes is completed.
- Article 16: During a meeting, the chairman may announce a break at his discretion. In the event of unavoidable circumstances, the chairman may decide to suspend the meeting and announce the time of resumption of the meeting as appropriate. If the meeting venue cannot be used before the agenda of the shareholders' meeting (including temporary motions) is concluded, the shareholders' meeting may resolve to find another venue to continue the meeting. In accordance with Article 182 of the Company Act, the shareholders' meeting may resolve to postpone or adjourn the meeting within five days.
- Article 17: Each shareholder shall have one vote per share, except for those who are restricted or have no voting rights as listed in Article 179, Paragraph 2 of the Company Act. The Company shall convene a shareholders' meeting by electronic means and may exercise its voting rights in writing; when exercising its voting rights in writing or electronically, the method of exercise shall be stated in

the notice of the shareholders' meeting. A shareholder who exercises his or her voting rights in writing or electronically shall be deemed to be present in person at the shareholders' meeting. However, the Company shall be deemed to have abstained from proposing provisional motions and amendments to original motions in connection with such shareholders' meetings, and is therefore advised to refrain from proposing provisional motions and amendments to original motions.

In the event of duplication of intent, the first to be delivered shall prevail. In the event of a duplication of intent, the first to be delivered shall prevail. However, a declaration of revocation of the previous intent shall be excluded.

If a shareholder wishes to attend a shareholders' meeting in person after exercising his or her voting rights in writing or by electronic means, he or she shall revoke his or her previous intention to exercise his or her voting rights in the same manner as he or she exercised his or her voting rights two days prior to the shareholders' meeting; if the revocation is made after that time, the voting rights exercised in writing or by electronic means shall prevail. If a proxy is appointed in writing or electronically to attend a shareholders' meeting, the proxy's presence shall prevail.

Except as otherwise provided in the relevant laws and regulations or the Company's Articles of Incorporation, a majority of the votes of the shareholders present shall be cast. In the case of voting, the chairman or his or her designee shall announce the total number of voting rights of shareholders present on a case-by-case basis, and then the shareholders shall vote on the motion on a case-by-case basis, and the results of shareholders' approval, disapproval and abstention shall be entered into the Market Observation Post System on the day after the shareholders' meeting.

In the case of election of directors and supervisors at the shareholders' meeting, the election results shall be announced on the spot, including the list of elected directors and supervisors and the number of their elected rights, as well as the list of unsuccessful directors and supervisors and the number of their elected rights.

The election ballots for the aforementioned election shall be sealed and signed by the scrutineers and kept in a safe place for at least one year.

However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, it shall be kept until the end of the lawsuit.

Article 18: If there are amendments or substitutions to the same motion, the

Chairman shall determine the order of voting on them together with the original motion. If one of the motions has been approved, the other motions shall be deemed to be rejected and shall not be voted on again. The minutes of the shareholders' meeting shall be prepared, signed or sealed by the chairman, and distributed to the shareholders within 20 days after the meeting. The minutes may be prepared and distributed electronically.

The aforementioned minutes may be distributed by means of an announcement entered into the Market Observation Post System.

The Company shall record the year, month, day, place, name of the chairman, method of resolution, main points of the proceedings, and voting results (including the number of votes) of the meeting, and in the case of election of directors and supervisors, the number of votes received by each candidate. The records shall be kept permanently for the duration of the Company's existence.

Article 19: The chairperson may direct marshals or security personnel to assist in maintaining order in the meeting. When assisting in the maintenance of order, the inspectors or security personnel shall wear the "inspector" armband or identification card. If the meeting venue is equipped with sound amplifying equipment, the chairman may stop the shareholders from speaking other than through the equipment provided by the Company. If a shareholder disobeys the chairman's correction for violation of the rules of procedure and obstructs the proceedings of the meeting, the chairman may direct the inspector or security personnel to ask him/her to leave the meeting.

Article 20: These rules shall come into effect upon the approval of the shareholders' meeting, and upon amendment.

## **Hotel Holiday Garden Articles of Incorporation**

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### **Chapter 1 General Provisions**

Article 1: The Company is organized in accordance with the provisions of the Company Act as a joint stock company and is named Hwa Yuan Hotel Co.

Article 2: The Company's operations are as follows:

ZZ99999 Except for the permitted business, you may conduct business that is not prohibited or restricted by law.

C104020 Baking and steaming food manufacturing.

C199990 Other food manufacturing, not elsewhere classified

F203010 Retailing of food and beverages

F218010 Retailing of information software

F399040 Non-storefront retailing

F401010 International trade

F501030 Beverage stores

F501060 Restaurants

F501990 Other food and beverage

G202010 Car park operations

H201010 General investment

H701010 Residential and building development, rental and sales

H701050 Investment and construction of public buildings

H703090 Real Estate Trading

H703100 Real Estate Leasing

I101090 Food Consulting  
I199990 Other Consulting Services  
I103060 Management Consulting  
I301030 Electronic information supply service industry  
IZ12010 Manpower Dispatching  
J701040 Leisure and Entertainment Venues  
J701070 Information and leisure industry  
J702040 Restaurant business  
J799990 Other leisure services  
J901020 General hotel industry  
JB01010 Convention and Exhibition Service  
JE01010 Rental industry  
Z9912012 General bathroom industry  
JZ99990 Other service industry, not elsewhere classified  
F203020 Tobacco and alcoholic beverages retail  
F501050 Hotels and restaurants

Article 3: The Company shall be located in Kaohsiung City, and the Board of Directors may resolve to establish branch offices outside of Kaohsiung in the future to meet business needs.

Article 4: Delete.

## Chapter 2 Shares

Article 5: The total capital of the Company shall be set at NT\$1,500,000,000 divided into 150,000,000 shares of NT\$10 each, and the Board of Directors is authorized to issue the shares in installments.

Article 6: The shares issued by the Company shall be issued without any entity, but shall be registered with the centralized custody business.

- Article 7: Changes in the register of shareholders shall not be made within 60 days prior to the date of the regular shareholders' meeting, within 30 days prior to the date of the provisional shareholders' meeting, or within five days prior to the date on which the Company decides to distribute dividends and bonuses or other benefits.
- Article 8: The Company's share affairs shall be handled in accordance with the "Guidelines for Handling Share Affairs of Publicly Traded Companies" issued by the competent authorities.
- Article 9: The Company shall provide for the transfer of shares acquired by the Company, the issuance of employee stock options, the issuance of new shares to employees, and the issuance of new shares with restricted rights to employees to include employees of control or subordinate companies who meet certain criteria.
- Article 10: Delete.
- Article 11: There shall be two types of shareholders' meetings: regular and extraordinary. Regular meetings shall be held at least once a year, within six months after the end of each fiscal year. Extraordinary meetings shall be convened when necessary.
- Article 12: The shareholders shall be notified of the date, place and reason for the meeting at least 30 days in advance of the regular meeting and 15 days in advance of the extraordinary meeting.
- Article 13: If a shareholder is unable to attend a shareholders' meeting for any reason, he or she may appoint a proxy to attend the meeting by presenting a letter of proxy issued by the Company stating the scope of authority, and signing and stamping it. In addition to the provisions of Article 177 of the Company Act, the method of proxy attendance by shareholders shall be in accordance with the "Rules Governing the Use of Proxy Forms for Attending Shareholders' Meetings of Public Companies" promulgated by the competent authorities.
- Article 14: The chairman of the board of directors shall be the chairman of the shareholders' meeting. If the Chairman of the Board of Directors is absent from work or is unable to exercise his or her duties for any reason, the Vice Chairman of the Board of Directors shall act on his or her behalf. If the Vice Chairman of

the Board of Directors is also absent from work or is unable to exercise his or her duties for any reason, the Chairman of the Board of Directors shall designate a director to act on his or her behalf.

Article 15: Except as otherwise provided in the Company Law, the resolution of a shareholders' meeting shall be made by the affirmative vote of a majority of the shareholders present and representing a majority of the total number of outstanding shares.

Article 16: Each shareholder of the Company shall have one vote per share, except for those shares subject to restrictions and those shares that are not entitled to vote under the Company Law.

Article 17: The minutes of the shareholders' meeting shall be prepared and distributed to the shareholders. The minutes shall contain the date and place of the meeting, the number of shareholders present and the total number of shares represented, the name of the chairman, the manner of resolution, and the subject matter of the resolution, and shall be signed or sealed by the chairman and kept in the Company together with the signature book of the shareholders present and the proxy form. Such minutes may be distributed by way of public announcement.

### Chapter 3 Board of Directors

Article 18: The Company shall have a board of directors consisting of five to seven directors, who shall be elected by the shareholders' meeting from among persons having the ability to act, and the directors shall be nominated by candidates for a term of three years and shall be eligible for re-election. The Company's directors and supervisors shall be subject to the provisions of the "Rules Governing the Composition of Shareholdings of Directors and Supervisors of Public Companies and the Implementation of the Rules" issued by the competent securities authorities.

The number of independent directors shall not be less than three among the above-mentioned number of directors of the Company and shall be elected by the shareholders' meeting from the list of independent director candidates. The professional qualifications, shareholdings, restrictions on part-time employment, the method of election and other matters to be observed by the independent directors shall be in accordance with the relevant regulations of the competent securities authorities.

The Company may purchase liability insurance for the directors within the scope of their liability under the law for the execution of their business.

In accordance with Article 14-4 of the Securities and Exchange Act, the Company has established an Audit Committee in lieu of the Supervisors' duties and responsibilities.

The Audit Committee shall consist of all independent directors. The Audit Committee's duties and responsibilities and other matters to be followed shall be in accordance with the provisions of the Company Law, the Securities and Exchange Act and other relevant laws and regulations, and the Company's Articles of Incorporation.

Article 19: The Board of Directors shall elect one of its directors to be the Chairman and one of its directors to be the Vice Chairman, and the Chairman shall represent the Company externally.

Article 20: If the chairman of the board of directors is absent from office or is unable to exercise his or her duties for any reason, his or her proxy shall be governed by the provisions of Article 208 of the Company Act.

Article 21: The powers and functions of the Board of Directors shall be as follows.

- (1) Determination of business direction.
- (2) Approval of business plans.
- (3) Examination of the budget and financial statements.
- (4) Review of capital increase or decrease.
- (5) The proposed issuance or consolidation of corporate bonds.
- (6) Review of earnings distribution.
- (7) Resolution on foreign investment or cooperation.
- (8) Approval of important articles of incorporation and revocation.
- (9) Approval of important contract amendment or cancellation.
- (10) Approval of the establishment, reorganization or dissolution of branch offices.
- (11) Appointment or dismissal of key employees of the Company.
- (12) The convening of shareholders' meetings.

Article 22: The Company's Board of Directors shall meet at least once a

quarter. The Board of Directors shall convene a meeting of the Board of Directors with the reasons stated and notify the Directors seven days in advance. However, in case of emergency, it may be convened at any time. The Board of Directors may be convened by written, electronic or facsimile notice to the Directors.

The meeting of the Board of Directors shall be convened by the Chairman of the Board. If a director is unable to attend a board meeting, he/she may appoint another director to act as his/her proxy, and he/she shall issue a proxy form each time, listing the scope of authority for the convening, and the proxy shall be limited to one person's proxy.

The Board of Directors may hold a meeting by video conference. A director who participates in a meeting by video conference shall be deemed to be present in person.

Article 23: Resolutions of the Board of Directors shall be made by a majority of the Directors present and approved by a majority of the Directors present, and the minutes shall be signed and sealed by the Chairman.

Article 23-1: The minutes of the board of directors' meeting shall be signed or sealed by the chairman and distributed to each director within 20 days after the meeting.

Article 24: Directors may pay monthly carriage fees during their term of office.

Article 24-1: The remuneration of the directors is authorized to be determined by the Board of Directors based on the extent of their participation in the Company's operations and the value of their contributions, taking into account the usual standards of the industry

## Chapter 4 Manager

Article 27: Other employees of the Company shall be appointed and dismissed by the President in accordance with the "Work Rules" of the Internal Regulations.

## Chapter 5 Accounting

Article 28: The accounting year of the Company shall be from January 1 of each year to December 31 of the same year.

Article 29: At the end of each fiscal year, the Board of Directors shall

prepare the following forms and submit them to the shareholders' meeting for recognition in accordance with legal procedures.

(1) Business Report.

(2) Financial statements.

(3) Proposals for distribution of earnings or appropriation of losses.

Article 30: The Board of Directors shall consider the Company's future capital expenditure budget and capital requirements, and evaluate the necessity of using earnings to meet capital requirements in order to determine the amount of earnings to be retained or distributed and the amount of dividends or bonuses to be distributed to shareholders in cash.

In addition, the Company shall set aside 10% of the legal reserve if there is any surplus, except when the legal reserve has already reached the Company's capital, and after setting aside or reversing the special reserve in accordance with the law, the undistributed earnings at the beginning of the period shall be consolidated into the shareholders' accumulated distributable earnings, and the board of directors shall prepare a proposal for the distribution of the earnings. The Board of Directors shall prepare a proposal for distribution of earnings and submit it to the shareholders for resolution.

The Board of Directors shall prepare a proposal for distribution of earnings and submit it to the shareholders for resolution. 10% or more of the aforementioned distributable earnings shall be distributed as dividends and stockholders' bonuses, of which no less than 10% of the total dividends and stockholders' bonuses shall be cash dividends.

The presence of at least two-thirds of the board of directors and the resolution of a majority of the directors present to distribute all or part of the dividends and bonuses, capital surplus or legal reserve in the form of cash and to report to the shareholders' meeting shall not apply to the second paragraph which requires the resolution of the shareholders' meeting.

Article 31: The Company shall distribute remuneration to employees at 0.1% to 1% and remuneration to directors at not more than 1% of the Company's profitability for the year. However, the Company shall make up for any accumulated losses.

Compensation to employees may be in the form of stock or cash, and may be made to employees who meet certain criteria for control or subordination of the Company.

Profitability for the year referred to in Item 1 is defined as income before income taxes for the year before the distribution of employee and director compensation.

The distribution of employee compensation and director compensation shall be made by a resolution of the board of directors with at least two-thirds of the directors present and a majority of the directors present, and reported to the shareholders' meeting.

## Chapter 6 Bylaws

Article 32: The Company's articles of incorporation and by-laws shall be determined separately.

Article 33: Matters not provided for in these Articles of Incorporation shall be governed by the provisions of the Company Law.

Article 34: The total amount of the Company's reinvestment shall not exceed 40% of the paid-in capital as provided in Article 13 of the Company Act. The Board of Directors shall be authorized to make decisions on the operation of the Company's investments.

Article 35: The Company may make external guarantees for business purposes in accordance with the Company's endorsement guarantee policy.

Article 36: The same shall apply to these Articles of Incorporation when they are amended by the shareholders' meeting in accordance with the law.

Article 37: These Articles of Incorporation were enacted on May 26, 1959. The first amendment was made on February 1, 1963; the second amendment was made on August 3, 1964; the third amendment was made on September 18, 1968; the fourth amendment was made on June 1, 1969; the fifth amendment was made on July 23, 1973; the sixth amendment was made on May 20, 1978; the seventh amendment was made on December 2, 1979; the eighth amendment was made on June 27, 1981; the ninth amendment was made on November 19, 1981; the tenth amendment was made on March 22, 1982; the eleventh amendment was made on January 30, 1983; the twelfth amendment was made on December 7, 1987; the thirteenth amendment was made on April 18, 1988; the fourteenth amendment was made on April 26, 1989; and the fifteenth amendment was made on September 20, 1989. The 16th amendment was made on June 4, 1990. The 17th

amendment was made on September 20, 1990; the 18th amendment was made on September 20, 1990, the 19th amendment was made on June 20, 1991, the 20th amendment was made on June 22, 1992, the 21st amendment was made on April 13, 1993, the 22nd amendment was made on May 16, 1994. The 23rd amendment was made on April 15, 1995, the 24th amendment was made on May 7, 1996, the 25th amendment was made on April 9, 1997, the 26th amendment was made on April 22, 1998, the 27th amendment was made on May 7, 1999, the 28th amendment was made on May 10, 2000, the 29th amendment was made on June 18, 2002, the 30th amendment was made on June 3, 2003, amended 31st on June 15, 2004, amended 32nd on June 21, 2005, amended 33rd on April 12, 2007, amended 34th on April 15, 2008, amended 35th on June 10, 2009, amended 36th on June 25, 2010, amended 37th on June 17, 2011 June 17, 2011, 38th amendment on June 12, 2012, 39th amendment on June 13, 2014, 40th amendment on June 12, 2015, 41st amendment on June 20, 2016, 42nd amendment on June 19, 2019, 43rd amendment on June 17, 2020, and The 44th amendment became effective on November 1, 2021, after it was approved by the shareholders' meeting.

## Appendix 3

### **Hotel Holiday Garden**

#### **Procedures for Directors**

Article 1: To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2: Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 3: The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation'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: Basic requirements and values: Gender, age, nationality, and culture.

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:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. 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 Corporation shall consider adjusting its composition based on the results of performance evaluation.

Article 4: The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 5: The election of directors of the Company shall be conducted in accordance with the procedures of the candidate nomination system set forth in Article 192-1 of the Company Act. If, for any reason, the number of directors is less than five, the Company shall hold a by-election at the most recent shareholders' meeting. However, if the number of director vacancies reaches one-third of the number of seats set forth in the Articles of Incorporation, the Company shall convene an interim shareholders' meeting to hold a by-election within 60 days from the date of occurrence of the fact. If the number of independent directors is less than the first proviso of Article 14-2 of the Securities and Exchange Act, a by-election shall be held at the latest shareholders' meeting; if all independent directors are dismissed, a by-election shall be held at the shareholders' meeting within 60 days from the date of occurrence.

Article 6: The cumulative voting method shall be used for election of the directors at this corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 7: The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting.

Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8: The number of directors will be as specified in this Corporation'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.

Article 9: Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked

by the vote monitoring personnel before voting commences.

Article 10: The election ballot is invalid in one of the following cases.

- (1) The ballot paper prepared by the person who has the right to call is not used.
- (2) A blank ballot is put into the ballot box.
- (3) The handwriting is illegible or altered.
- (4) The person(s) to be elected does not match.
- (5) Any person who writes other words than the name of the electee (name) or the shareholder's account number (identification number) and the number of allocated election rights.
- (6) The name of the person to be elected is the same as that of other shareholders without filling in the shareholder account number or identity document number for identification.

Article 11: The chairman shall announce the results of the ballot, including the list of directors elected and the number of their elected rights.

The election ballots for the aforementioned election shall be sealed and signed by the scrutinizer and kept in a safe place for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, it shall be kept until the end of the lawsuit.

Article 12: The elected directors shall be notified by the Board of Directors of the Company of their election.

Article 13: These procedures shall be effective upon approval by the shareholders' meeting, and shall be amended as well.

**Hotel Holiday Garden****Operational procedures for the Acquisition or disposal of assets**

## Article 1 Purpose

In order to protect the assets, implementation of proper information disclosure, the acquisition and disposal of assets of the company shall comply with the operational procedures.

Article 2 The Company shall handle the acquisition or disposal of assets in compliance with the Article 36-1 of the Securities Exchange, provided, where financial laws or regulations provide otherwise, such provisions shall govern.

Article 3 The term "assets" as used in these Regulations includes the following:

1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property and construction enterprise inventory) and equipment.
3. Memberships
4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
5. Right-of-use assets.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9. Other major assets.

## Article 4 Definition of terms

1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from assets, interest rate, foreign exchange rate, indexes, or other beneficial products; hybrid contracts combining the above contracts; The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act,

Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-8 of the Company Act.

3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
6. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
7. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.
8. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a

financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

#### Article 5 Appraisal Procedure

In acquiring or disposing of securities which are not traded on any stock exchange or over-the-counter, its net worth per share, profitability, potential of future growth, market rates, interest rates of bonds, credit ratings and its current market price shall be evaluated.

When the securities are acquired or disposed of through stock exchange or over-the-counter, the then equity or bond prices shall be used as the basis for determining the price.

3. Acquisition or disposal of assets other than the assets mentioned above shall be effected through price inquiry, price comparison, price negotiation, or public bidding, and references shall be made to public announcements of present value and price of real property in the neighborhood.

#### Article 6 Asset acquisition or disposal procedure

1. When acquiring or disposing of assets, the contractor shall evaluate the reasons for the proposed acquisition or disposal, the subject matter, the counterparties to the transaction, the transfer price, the terms of receipt and payment, and the reference basis for the price, and then submit the decision to the responsible unit for execution by the management department.
2. The Company's long-term and short-term investments in securities are carried out by the Finance Department, while those in real estate and other fixed assets are carried out by the user departments and the relevant authorities. Other assets that are not marketable securities investments, real estate and other fixed assets are evaluated by the relevant execution unit.
3. The acquisition or disposal of assets shall be carried out in accordance with the relevant provisions of the Company's internal control system. If significant violations are found, the relevant personnel shall be punished according to the violations.

#### Article 7 Authorization

Trading of long- or short-term securities by the Company shall be submitted to the general manager and chairman for approval.

Article 8 Except transactions with government institutions, contracting third parties to construct on land owned or rented by the Company or acquisition of equipment or right-of-use assets thereof for operation purpose, for acquisition or disposal of real estate or equipment or right-of-use assets thereof by the Company whose amount reaches 20% of the Company's paid-in capital or NT\$300 million, an appraisal report issued by a Professional Appraiser shall be obtained prior to the Date of the Event and the following provisions should be complied with:

1. If for any special reason, restricted price, specific price, or special price must be used as a reference for the transaction price, the transaction should be approved by the Board in advance. The above procedures should also be followed in case the transaction terms are changed subsequently.
2. If the transaction price is over NT\$1 billion, the Company should retain at least two Professional Appraisers to perform the appraisal.
3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation ("ARDF") and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
  - 4.(1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount. (2) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.
5. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the

original professional appraiser.

Article 9 The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission.

Article 10 When the company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

Article 11 The company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinion may not be a related party.

Article 12 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions and shall meet the following requirements:

1. May not have previously received a final and unappealable sentence.
2. To imprisonment for 1 year or longer for a violation of the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud,

breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence or since a pardon was received.

3. May not be a related party or de facto related party of any party to the transaction.

4. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers with appraisal reports, appraisal officers may not be related parties or de facto related parties of each other. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:

1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.

2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion.

The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working paper.

3. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy and reasonableness of the sources of data adopted, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.

4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.

Article 13 When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section.

The calculation of the transaction amount referred to in the preceding paragraph

shall be made in accordance with Article 12 herein.

When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

- Article 14 When the company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party or when it intends to acquire or dispose of assets other than real property to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:
1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
  2. The reason for choosing the related party as a transaction counterparty.
    1. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 15
    2. The date and price at which the related party originally acquired, the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.
    3. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, reasonableness of the funds utilization.
    4. An appraisal report from a professional appraiser a CPA's opinion obtained in compliance with the preceding article.
    5. Restrictive covenants and other important stipulations associated with the transaction. The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 22, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the audit committee are sent for recognition by the board of directors and need not be counted toward the transaction

amount. With respect to the types of transactions listed below, when to be conducted between the company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of directors, the company's board of directors delegate the chairman to decide such matters when the transaction is within a certain amount, and have the decisions subsequently submitted to and ratified by the next board of directors meeting:

3. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
4. Acquisition or disposal of real estate or right-of-use assets thereof held for business use.
5. Right-of-use assets.

When a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or presses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.

Article 15 A public company that acquires real property from a related party shall evaluate the reasonableness of the transaction costs by the following means:

1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

Where land and buildings are purchased as a single combined property or leased in one transaction, the transaction costs for the land and the buildings may be separately appraised in accordance with either of the means listed in the preceding paragraph.

When the company acquires real property and appraises the cost of the real property in accordance with the first and second paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.

Where a public company acquires real property from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with Article 14, and the preceding three paragraphs do not apply:

The related party acquired the real property through inheritance or as a gift. More than 5 years have elapsed from the time the related party signed the contract to obtain the real property to the signing date for the current transaction.

The real property is acquired through signing of a joint development contract with the related party or through engaging a related party to build real property, either on the company's own land or on rented land.

The real property right-of-use assets for business use are acquired by the company or the subsidiaries, or by its subsidiaries in which directly or indirectly holds holds 100 percent of the issued shares or authorized capital.

Article 16 The company acquires real property from a related party and the results of appraisals conducted in accordance with the preceding articles are uniformly lower than the transaction price, the following steps shall be taken:

1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Act against the difference between the real property or transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. When the company adopts the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of the Act shall be set aside pro rata in a proportion consistent with the share of the company's equity stake in the other company. been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the Exchange Securities Commission has given its consent.

When the company obtains real property from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not "non-arm's-length" transaction.

Article 17 The Board of Directors shall supervise derivatives transactions in accordance with the following principles:

1. Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.
2. Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the company's permitted scope of tolerance.

Designated by the Board of Directors, the senior executives shall monitor and control derivatives transactions in accordance with the following principles:

1. Regularly reviewing the level of adequacy of the current risk control process and its degree of consistency with the principles and procedures for Financial Derivatives Transactions set forth herein; and
2. Monitoring trading and profit-loss circumstances, and upon having identified unusual performances and results, undertaking any actions deemed necessary to correct the situation and reporting to the Board of Directors at a meeting, and when an independent director is set up, the independent director shall be present and express opinions.

The company shall report to the soonest meeting of the board of directors after it authorizes the relevant personnel to handle derivatives trading in accordance with its Procedures for Engaging in Derivatives Trading.

Article 17-1 The company engaging in derivatives trading shall pay strict attention to control of the following important risk management and auditing matters, and incorporate them into the Procedures:

1. Trading principles and strategies: Shall include the types of derivatives that may be traded, operating or hedging strategies, segregation of duties, essentials of performance evaluation, total amount of derivatives contracts that may be traded, and the maximum loss limit on total trading and for individual contracts.
2. Risk management measures
3. Internal audit system.
4. Regular evaluation methods and the handling of irregular circumstances.

Article 17-2 The company engaging in derivatives trading shall adopt the following important risk management measures:

1. The scope of risk management shall include credit, market price, liquidity, cash flow, operational, and legal risks.
2. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.
3. Risk measurement, monitoring, and control personnel shall be assigned to a department different from the personnel mentioned in the preceding subparagraph and shall report to the board of directors or senior management personnel with no responsibility for trading or position decision-making.
4. Derivatives trading centers held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors.
5. Other important risk management measures.

Article 17-3 The company, engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, board of directors approval dates, and the matters required to be carefully evaluated under subparagraph 4 of Article 17 and subparagraph 2 of paragraph 1, and subparagraph 1 of paragraph 2, of article 17 shall be recorded in detail in the log book.

The company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, the audit committee shall be notified in writing.

Article 18 The company conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by a public company of a subsidiary in which it

directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the public company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.

Article 18-1 The company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply. Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

Article 19 The company shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

A company participating in a transfer of shares shall call a board of directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:

1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
2. Dates of material events: Including the signing of any letter of intent or

memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.

3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings.

When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of the preceding 3 and 4 paragraphs.

Article 19-1 Every person in the company participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.

Article 20 The company participating in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:

1. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
2. An action, such as a disposal of major assets, that affects the company's financial operations.
3. An event, such as a major disaster or major change in technology, that affects

shareholder equity or share price.

4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

Article 20-1 The contract of the company participating in a merger, demerger, acquisition, or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares, and shall also record the following:

1. Handling of breach of contract.
2. Principles for the handling of equity-type securities previously issued or treasury previously bought back by any company that is extinguished by any company that is extinguished.
3. The amount of treasury stock participating companies in a merger are permitted under the law to buy back after the record date of calculation of the share exchange ratio, and the principles of handling thereof.
4. The way of handling changes in the number of participating entities or companies. Preliminary progress schedule for plan execution and the completion date. If the plan exceeds the deadline without completion, schedule date for convening the legally mandated shareholders' meeting, and the relevant procedures.

Article 20-2 After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.

Article 20-3 Where any of the companies participating in a merger, demerger, acquisition, or

transfer of shares is not a public company, the company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 19, Article 19-1 and the preceding article.

Article 21 If the subsidiary is not itself a domestic public company, information required to be publicly announced and reported in accordance with the provisions of the preceding Chapter on acquisitions and disposals of assets shall be reported by the parent company. The paid-in capital or total assets of the company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing under Article 22, paragraph 1.

Article 21-1 For the calculation of 10 percent of total assets under these Regulations, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used. In the case of a company whose shares have no par value or a par value other than NT\$10 for the calculation of transaction amounts of 20 percent of paid-in capital under these Regulations, 10 percent of equity attributable to owners of the parent shall be substituted; for calculations under the provisions of these Regulations regarding transaction amounts relative to paid-in capital of NT\$10 billion, NT\$20 billion of equity attributable to owners of the parent shall be substituted.

Article 22 The standards required to be announced or reported

Under any of the following circumstances, the company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:

1. Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements or subscription or redemption of money market

- funds issued by domestic securities investment trust enterprises.
2. Consolidation, division, acquisition or share transfer.
  3. Losses from derivative products transactions reaching the loss limits for any individual or all contracts set out in the procedures.
  4. Where the type of assets acquired or disposed of are equipment for business use, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:
    - (1) For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
    - (2) For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
  5. company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.
  6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the company expects to invest in the transaction reaches NT\$500 million.
  7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:
    - (1) Trading of domestic government bonds.
    - (2) Where done by professional investors—securities trading on domestic and overseas securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics that are offered and issued in the domestic primary market, or subscription by a securities firm of securities as necessitated, by its undertaking business or subscription by a securities firm of securities as necessitated, by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.

- (3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

The amount of transactions in the preceding shall be calculated as follows:

1. The amount of each individual transaction.
2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty in the preceding year.
3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property within the same development project within the same year.
4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property within the same development project within the same year.

"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.

The company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.

When the company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.

The company when acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.

Article 23 The time required to be announced or reported.

Where any of the following circumstances occurs with respect to a transaction of the company which has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event: Change, termination, or rescission of a contract signed in regard to the original transaction.

The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.

Change to the originally publicly announced and reported information.

Article 24 Date of Implementation

The Operational Procedures upon approved by the audit committee, and implement after passed by the board of directors, and after submitting the Procedures for approval by the shareholders' meeting; the same shall apply to amendments to the Procedures; where any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to the audit committee.

When the Operational procedures of Acquisition or Disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.

## Appendix 5

### The current shares holding of the directors and supervisors

April 18,2022

Job title	Name	Elect Date	Term	Initial election date	H o l d i n g   s h a r e s		The shareholders' register as of the book closure date	
					at the time of election		Record of shares held	
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
Chairman	Representative of Yingchuan International Enterprise Co., Ltd.: Chen Hai-ni	108.06.19	3 years	1965	19,840,164	19.39%	21,427,377	19.39%
Chairman	Representative of Yingchuan International Enterprise Co., Ltd.: Lin Shu-hui	108.06.19	3 years	1965	19,840,164	19.39%	21,427,377	19.39%
Chairman	Representative of Yingchuan International Enterprise Co., Ltd.: Chen Shiyi	108.06.19	3 years	1965	19,840,164	19.39%	21,427,377	19.39%
Chairman	Li Baoshang	108.06.19	3 years	2007	79,602	0.08%	67,970	0.08%
Independent director	Lu Guoying	108.06.19	3 years	2019	14,765	0.01%	15,946	0.01%
Independent director	Li TeJu	108.06.19	3 years	2016	0	0%	0	0%
Independent director	Li Chingling	108.06.19	3 years	2019	0	0%	0	0%

1. The paid-in capital of the company is NT\$1,104,855,380 number of shares issued is 110,485,538
2. According to Article 26 of the Securities and Exchange Act, all directors shall hold a minimum of 8,000,000 shares, and all supervisors shall hold a minimum of 800,000 shares
3. The numbers of shares, which must reached the statutory standard, held by the directors and supervisors individually and by the entire bodies thereof respectively as recorded in the shareholders' register as of the book closure date for that shareholders' meeting.

**Hotel Holiday Garden**

**Chairman of the Board: Chen Hai-ni**