Lion Travel Service Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2020 and 2019 and Independent Auditors' Review Report

Deloitte.

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INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Stockholders
Lion Travel Service Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Lion Travel Service Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") as of March 31, 2020 and 2019 and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended, and related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 11 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2020 and 2019, the combined total assets of these non-significant subsidiaries were NT$1,665,025 thousand and NT$1,710,369 thousand, respectively, representing 24.40% and 18.31%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT$618,600 thousand and NT$874,782 thousand, respectively, representing 13.50% and 12.62%, respectively, of the consolidated total liabilities; for the three-month periods ended March 31, 2020 and 2019, the amounts of combined comprehensive loss of these subsidiaries were NT$(38,931) thousand and NT$(2,729) thousand, respectively, representing 78.41% and (1.88%), respectively, of the consolidated total comprehensive (loss) income. Other non-significant subsidiary information disclosed in Note 31 to the consolidated financial statements was based on unreviewed financial statements as of and for the same reporting periods as those of the Company.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as of March 31, 2020 and 2019, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Ching-Cheng Yang and Tza-Li Gung.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 7, 2020

<u>*Notice to Readers*</u>

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

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2020 (Reviewed)		December 31, 2019 (Audited)		March 31, 2019 (Reviewed)	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 2,652,251	39	$ 3,323,666	38	$ 3,565,806	38
Notes receivable (Note 10)	15,648	-	59,894	-	87,448	1
Accounts receivable (Notes 10, 19 and 27)	500,019	7	791,863	9	991,014	11
Prepayments (Note 14)	762,859	11	1,649,309	19	1,824,159	19
Other current financial assets (Notes 9 and 28)	58,390	1	79,211	1	84,105	1
Other current assets (Note 27)	23,285	1	8,814	-	10,370	-
Total current assets	4,012,452	59	5,912,757	67	6,562,902	70
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	224,362	3	184,095	2	160,272	2
Financial assets at fair value through other comprehensive income - non-current (Note 8)	124,149	2	201,833	2	47,523	1
Property, plant and equipment (Notes 12 and 28)	428,928	6	393,695	5	434,265	5
Right-of-use assets (Note 13)	1,751,597	26	1,779,339	20	1,863,280	20
Goodwill	10,404	-	10,558	-	11,188	-
Intangible assets	9,341	-	9,824	-	11,277	-
Deferred tax assets	32,915	1	30,253	1	25,898	-
Other non-current assets (Notes 10 and 14)	229,383	3	271,932	3	224,732	2
Total non-current assets	2,811,079	41	2,881,529	33	2,778,435	30
TOTAL	$ 6,823,531	100	$ 8,794,286	100	$ 9,341,337	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowing (Note 15)	$ 303,984	5	$ 119,557	1	$ -	-
Contract liabilities - current (Note 19)	1,222,033	18	2,685,920	31	2,350,614	25
Notes payable	78,745	1	100,733	1	144,268	1
Accounts payable (Note 27)	639,432	9	1,284,045	15	2,014,650	22
Other payables (Note 16)	260,264	4	282,502	3	292,119	3
Current tax liabilities	53,791	1	35,028	1	73,658	1
Lease liabilities - current (Notes 13 and 27)	275,091	4	283,160	3	263,165	3
Current portion of long-term borrowing (Note 15)	11,693	-	7,342	-	4,088	-
Other current liabilities	19,535	-	23,221	-	21,256	-
Total current liabilities	2,864,568	42	4,821,508	55	5,163,818	55
NON-CURRENT LIABILITIES						
Long-term borrowing (Note 15)	40,528	1	24,843	-	14,561	-
Deferred tax liabilities	27,223	-	23,501	-	15,519	-
Lease liabilities - non-current (Notes 13 and 27)	1,513,837	22	1,524,858	18	1,610,159	18
Net defined benefit liabilities	114,224	2	114,466	1	114,925	1
Other non-current liabilities	22,067	-	20,325	-	12,618	-
Total non-current liabilities	1,717,879	25	1,707,993	19	1,767,782	19
Total liabilities	4,582,447	67	6,529,501	74	6,931,600	74
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 18)						
Share capital						
Common stock	700,000	10	700,000	8	700,000	7
Capital surplus	821,648	12	821,322	10	820,698	9
Retained earnings						
Legal reserve	297,821	5	297,821	3	272,214	3
Special reserve	68,747	1	68,747	1	57,985	1
Unappropriated earnings	294,993	4	260,423	3	471,612	5
Other equity	(139,618)	(2)	(61,904)	(1)	(59,555)	(1)
Total equity attributable to owners of the Company	2,043,591	30	2,086,409	24	2,262,954	24
NON-CONTROLLING INTERESTS	197,493	3	178,376	2	146,783	2
Total equity	2,241,084	33	2,264,785	26	2,409,737	26
TOTAL	$ 6,823,531	100	$ 8,794,286	100	$ 9,341,337	100

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

(With Deloitte & Touche review report dated May 7, 2020)

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 19 and 27)	$ 4,449,624	100	$ 7,233,681	100
OPERATING COSTS (Notes 20 and 27)	(3,769,791)	(85)	(6,370,363)	(88)
GROSS PROFIT	679,833	15	863,318	12
OPERATING EXPENSES (Notes 4, 13, 17, 20 and 27)	(696,683)	(16)	(752,065)	(11)
INCOME (LOSS) FROM OPERATIONS	(16,850)	(1)	111,253	1
NON-OPERATING INCOME AND EXPENSES (Note 20)				
Other income (Note 27)	36,458	1	18,417	-
Other gains and losses	48,925	1	52,670	1
Finance costs	(8,538)	-	(8,814)	-
Total non-operating income and expenses	76,845	2	62,273	1
INCOME BEFORE INCOME TAX	59,995	1	173,526	2
INCOME TAX EXPENSE (Notes 4 and 21)	(18,949)	-	(37,923)	-
NET INCOME FOR THE PERIOD	41,046	1	135,603	2
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(76,351)	(2)	(1,036)	-
Items that may be reclassified subsequently to profit of loss:				
Exchange differences on translating foreign operations	(14,346)	-	10,809	-
Other comprehensive income (loss) for the period	(90,697)	(2)	9,773	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	$ (49,651)	(1)	$ 145,376	2

(Continued)

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2020		2019	
	Amount	%	Amount	%
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 34,570	1	$ 128,435	2
Non-controlling interests	6,476	-	7,168	-
	$ 41,046	1	$ 135,603	2
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ (43,144)	(1)	$ 137,627	2
Non-controlling interests	(6,507)	-	7,749	-
	$ (49,651)	(1)	$ 145,376	2
EARNINGS PER SHARE (Note 22)				
Basic earnings per share	$ 0.49		$ 1.83	
Diluted earnings per share	$ 0.49		$ 1.83	

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

(With Deloitte & Touche review report dated May 7, 2020) (Concluded)

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to the Owners of the Company									
	Share Capital		Retained Earnings			Other Equity				
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2019	$ 700,000	$ 820,698	$ 272,214	$ 57,985	$ 343,177	$ (60,506)	$ (8,241)	$ 2,125,327	$ 141,892	$ 2,267,219
Net income for the three months ended March 31, 2019	-	-	-	-	128,435	-	-	128,435	7,168	135,603
Other comprehensive income (loss) for the three months ended March 31, 2019, net of income tax	-	-	-	-	-	10,228	(1,036)	9,192	581	9,773
Total comprehensive income (loss) for the three months ended March 31, 2019	-	-	-	-	128,435	10,228	(1,036)	137,627	7,749	145,376
Non-controlling interests	-	-	-	-	-	-	-	-	(2,858)	(2,858)
BALANCE AT MARCH 31, 2019	$ 700,000	$ 820,698	$ 272,214	$ 57,985	$ 471,612	$ (50,278)	$ (9,277)	$ 2,262,954	$ 146,783	$ 2,409,737
BALANCE AT JANUARY 1, 2020	$ 700,000	$ 821,322	$ 297,821	$ 68,747	$ 260,423	$ (75,086)	$ 13,182	$ 2,086,409	$ 178,376	$ 2,264,785
Net income for the three months ended March 31, 2020	-	-	-	-	34,570	-	-	34,570	6,476	41,046
Other comprehensive income (loss) for the three months ended March 31, 2020, net of income tax	-	-	-	-	-	(11,715)	(65,999)	(77,714)	(12,983)	(90,697)
Total comprehensive income (loss) for the three months ended March 31, 2020	-	-	-	-	34,570	(11,715)	(65,999)	(43,144)	(6,507)	(49,651)
Changes in percentage of ownership interests in subsidiaries	-	326	-	-	-	-	-	326	(326)	-
Non-controlling interests	-	-	-	-	-	-	-	-	25,950	25,950
BALANCE AT MARCH 31, 2020	$ 700,000	$ 821,648	$ 297,821	$ 68,747	$ 294,993	$ (86,801)	$ (52,817)	$ 2,043,591	$ 197,493	$ 2,241,084

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

(With Deloitte & Touche review report dated May 7, 2020)

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2020	**2019**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 59,995	$ 173,526
Adjustments for:		
Depreciation expenses	102,873	97,227
Amortization expenses	483	556
Expected credit loss recognized	2,808	3,728
Net gain on financial assets at fair value through profit or loss	(40,267)	(32,317)
Interest expenses	8,538	8,814
Interest income	(5,108)	(2,057)
Loss on disposal of property, plant and equipment	208	30
Gain on lease adjustments	(127)	-
Changes in operating assets and liabilities		
Notes receivable	44,246	(35,375)
Accounts receivable	288,611	(95,365)
Prepayments	886,450	(3,707)
Other current assets	(13,481)	(1,015)
Contract liabilities	(1,463,887)	164,626
Notes payable	(21,988)	(20,772)
Accounts payable	(644,613)	724,922
Other payables	(22,238)	23,241
Other current liabilities	(3,686)	(1,677)
Net defined benefit liabilities	(242)	(150)
Cash (used in) generated from operations	(821,425)	1,004,235
Interest received	5,108	2,057
Interest paid	(686)	(109)
Income tax (paid) received	(116)	2,697
Net cash (used in) generated from operating activities	(817,119)	1,008,880
CASH FLOWS FROM INVESTING ACTIVITIES		
Financial assets of capital reduction and return of shares at fair value through other comprehensive income	1,333	-
Payments for property, plant and equipment	(26,483)	(5,521)
Proceeds from disposal of property, plant and equipment	46	25
Decrease in refundable deposits	22,735	9,149
Decrease in other current financial assets	20,821	7,323
Decrease in other non-current assets	425	641
Increase in prepayments for equipment	(15,714)	(655)
Net cash generated from investing activities	3,163	10,962

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LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2020	**2019**
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	$ 184,427	$ -
Decrease in short-term borrowings	-	(1,396)
Proceeds from long-term borrowings	22,126	-
Repayments of long-term borrowings	(2,090)	(1,011)
Increase in guarantee deposits received	1,742	502
Repayment of the principal portion of lease	(76,869)	(69,339)
Change in non-controlling interests	25,950	(2,858)
Net cash generated from (used in) financing activities	155,286	(74,102)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(12,745)	10,094
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(671,415)	955,834
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,323,666	2,609,972
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 2,652,251	$ 3,565,806

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

(With Deloitte & Touche review report dated May 7, 2020) (Concluded)

1. GENERAL INFORMATION

Lion Travel Service Co., Ltd. (the "Company") was incorporated in Taiwan in June 1977.

The Company engages mainly in packaged tours, transportation ticketing, visa application, providing tour guides and other travel - related services.

The Company's shares have been listed on the Taiwan Stock Exchange (TSE) since September 24, 2013.

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on May 7, 2020.

3. APPLICATION OF NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS

a. The initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC) did not have material impact on the Group's accounting policies.

b. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2021
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2022

Note: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for the financial instruments which are measured at fair value, and the net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e. its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 11, Tables 5 and 6 for the detailed information of subsidiaries (including percentages of ownership and main businesses).

d. Other significant accounting policies

Except for the following, the accounting policies applied to these consolidated financial statements are consistent with those applied to the consolidated financial statements for the year ended December 31, 2019.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The accounting policies applied to these consolidated financial statements are consistent with those applied to the consolidated financial statements for the year ended December 31, 2019.

6. CASH AND CASH EQUIVALENTS

	March 31, 2020	**December 31, 2019**	**March 31, 2019**
Cash on hand	$ 45,252	$ 59,745	$ 66,282
Checking accounts and demand deposits	2,200,634	2,599,747	2,535,200
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	406,365	664,174	964,324
	$ 2,652,251	$ 3,323,666	$ 3,565,806
Annual yield rates for bank deposits	0.01%-2.52%	0.01%-2.52%	0.01%-2.95%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2020	**December 31, 2019**	**March 31, 2019**
Non-current			
Mandatorily measured at FVTPL			
Non-derivatives financial assets			
Privately offered fund	$ 224,362	$ 184,095	$ 160,272

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2020	December 31, 2019	March 31, 2019
Non-current			
FVTOCI - equity instrument	$ 124,149	$ 201,833	$ 47,523

FVTOCI - Equity Instrument

	March 31, 2020	December 31, 2019	March 31, 2019
Non-current			
Domestic investments			
Listed funds and emerging market shares			
Tigerair Taiwan Co., Ltd.	$ 75,330	$ 148,890	$ -
Millerful No.1 Real Estate Investment Trust	29,940	30,750	30,000
Vigor Kobo Co., Ltd.	1,605	3,585	4,123
Unlisted shares			
Development of cultural and creative value of Venture Capital Co., Ltd.	7,333	8,667	10,000
Yuyupas Co., Ltd.	2,400	2,400	2,400
Circle Island Tours Co., Ltd.	1,000	1,000	1,000
Foreign investments			
Unlisted shares			
Japan Hotel Advanced Technologies Co., Ltd.	6,541	6,541	-
	$ 124,149	$ 201,833	$ 47,523

The above investments are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. OTHER CURRENT FINANCIAL ASSETS

	March 31, 2020	December 31, 2019	March 31, 2019
Current			
Pledged time deposits and demand deposits	$ 58,390	$ 79,211	$ 84,105
Rate intervals	0.18%-2.25%	0.20%-2.25%	0.20%-2.25%

Refer to Note 28 for information relating on other current financial assets pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OVERDUE RECEIVABLES

	March 31, 2020	December 31, 2019	March 31, 2019
Notes receivable			
At amortized cost			
Gross carrying amount	$ 15,648	$ 59,894	$ 87,448
Less: Allowance for expected credit loss	-	-	-
	$ 15,648	$ 59,894	$ 87,448
Accounts receivable			
At amortized cost			
Gross carrying amount	$ 500,770	$ 793,437	$ 994,608
Less: Allowance for expected credit loss	(751)	(1,574)	(3,594)
	$ 500,019	$ 791,863	$ 991,014
Overdue receivables (account listed other non-current assets)			
Overdue receivables	$ 19,720	$ 16,807	$ 10,646
Less: Allowance for expected credit loss	(19,720)	(16,807)	(10,646)
	$ -	$ -	$ -

a. Notes receivable

The checks received by the Group are encashed either right after the reporting period or within one month after the issue date; thus, the Group did not recognize an allowance for expected credit loss in the reporting periods.

b. Accounts receivable and overdue receivables

The Group's sales transactions are settled through cash, checks, bank remittances and credit cards. The accounts receivable refer to package tours, ticketing, credit cards, and commissions. Individual customers have to pay before their trips, and corporate customers and other travel service companies have to make payments based on the credit terms or the contracts.

The Group applies the simplified approach to providing for expected credit losses prescribed, which permits the use of lifetime expected loss provision for all trade receivables. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance was based on past due status.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation, or when the trade receivables are past due, whichever occurs earlier. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of notes receivable, accounts receivable and overdue receivables on the Group's provision matrix.

March 31, 2020

	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Gross carrying amount	$ 504,191	$ 11,540	$ 687	$ 19,720	$ 536,138
Loss allowance (Lifetime ECL)	-	(408)	(343)	(19,720)	(20,471)
Amortized cost	$ 504,191	$ 11,132	$ 344	$ -	$ 515,667

December 31, 2019

	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Gross carrying amount	$ 811,727	$ 39,120	$ 2,484	$ 16,807	$ 870,138
Loss allowance (Lifetime ECL)	-	(309)	(1,265)	(16,807)	(18,381)
Amortized cost	$ 811,727	$ 38,811	$ 1,219	$ -	$ 851,757

March 31, 2019

	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Gross carrying amount	$ 1,049,706	$ 26,745	$ 4,947	$ 11,304	$ 1,092,702
Loss allowance (Lifetime ECL)	-	(646)	(2,290)	(11,304)	(14,240)
Amortized cost	$ 1,049,706	$ 26,099	$ 2,657	$ -	$ 1,078,462

The range of ECL rate excludes overdue receivable have been recognized 100%. The Group recognized within 0% to 50% allowance for all accounts receivable overdue under 180 days, 50% to 100% allowance for all accounts receivable overdue between 181 days and 365 days, and 100% allowance for all accounts receivable overdue over 365 days.

The movements of the loss allowance of notes receivables, accounts receivable and overdue receivables were as follows:

	For the Three Months Ended March 31	
	2020	**2019**
Balance at January 1	$ 18,381	$ 10,849
Add: Expected credit loss recognized (1)	2,808	3,728
Less: Amounts written off (2)	(718)	(337)
Balance at March 31	$ 20,471	$ 14,240

1) Comparing with January 1, 2020 and 2019. The balance of March 31, 2020 and 2019 increased in loss allowance of $2,808 thousand and $3,728 thousand, respectively, and resulted from origination of notes receivable, accounts receivable and overdue receivables net decreased $334,000 thousand and net increased $129,594 thousand.

2) During the three months ended March 31, 2020 and 2019, the Group wrote off accounts receivable and related loss allowance of $718 thousand and $337 thousand, respectively, due to some unrecoverable funds.

11. SUBSIDIARIES

Entities included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership March 31, 2020	Proportion of Ownership December 31, 2019	Proportion of Ownership March 31, 2019	Remark
The Company	Lion International Holding Limited ("Lion Holding")	Investments	100.00	100.00	100.00	
	Lion DMC International Co., Ltd. ("Lion DMC")	Travel industry	100.00	100.00	100.00	
	Shuangshi Investment Co., Ltd. ("Shuangshi Investment")	Investments	100.00	100.00	100.00	
	Lion (Fujian) International Travel Service Co., Ltd. ("Fujian Lion")	Travel industry	90.00	90.00	90.00	
	LionBobby International Travel Service Co., Ltd. ("LionBobby")	Travel industry	55.00	55.00	55.00	
Lion Holding	Lion International Travel Service Co., Ltd. (YVR) ("Lion YVR")	Travel industry	100.00	100.00	100.00	
	Lion International Travel Service Pty., Ltd. (SYD) ("Lion SYD")	Travel industry	100.00	100.00	100.00	
	Lion International Travel Service Co., Ltd. (AKL) ("Lion AKL")	Travel industry	100.00	100.00	100.00	
	Lion International Travel Service Co., Ltd. (HK) ("Lion HK")	Travel industry	100.00	100.00	100.00	
	US Lion Travel ("US Lion")	Travel industry	100.00	100.00	100.00	
	Lion Travel Service Co., Ltd. (JPN) ("Lion JPN")	Travel industry	100.00	100.00	100.00	
	Lion International Travel Service Co., Ltd. (THA) ("Lion THA")	Travel industry	49.00	49.00	49.00	b.
	Lion International Travel Service Co., Ltd. (UK) ("Lion UK")	Travel industry	100.00	100.00	100.00	
	Lion International Holding (China) Limited ("Lion Holding (China)")	Management consulting activities	100.00	100.00	100.00	
	Travel Story, Inc. ("Travel Story")	Travel industry	100.00	100.00	-	c.
Shuangshi Investment	Lion Information Technology Co., Ltd. ("Lion Information")	Information technology activities	100.00	100.00	100.00	
	Lion Express Co., Ltd. ("Lion Express")	Tour bus transportation activities	100.00	100.00	100.00	
	Ansett Tour Co., Ltd. ("Ansett Tour")	Tour bus transportation activities	100.00	100.00	100.00	
	Travel Around Investment Holding Co., Ltd. ("Travel Around Investment")	Investments	100.00	100.00	100.00	
Lion Information	Lion Technology Holding Limited ("Lion Technology")	Investments	-	-	100.00	d.
Lion HK	Lion International Travel Service (Shanghai) Co., Ltd. ("Lion Shanghai")	Travel industry	100.00	100.00	100.00	
	Lion International Travel Service (Beijing) Co., Ltd. ("Lion Beijing")	Travel industry	100.00	100.00	100.00	
Travel Around Investment	Uplan Travel Service Co., Ltd. ("Uplan Travel")	Travel industry	60.56	60.56	62.44	
	Xinflight Travel Service Co., Ltd. ("Xinflight Travel")	Travel industry	100.00	100.00	100.00	
	Fontrip Technology Co., Ltd. ("Fontrip Technology")	Information technology activities	38.86	41.32	43.10	e.
Lion Holding (China)	Lion Travel International Holding Limited ("Lion Travel Holding")	Travel industry	100.00	100.00	100.00	
Lion Travel Holding	Skylion International Travel Service Co., Ltd. ("Skylion Travel")	Travel industry	100.00	100.00	100.00	
Uplan Travel	New Vision Travel Service Co., Ltd. ("New Vision")	Travel industry	100.00	100.00	100.00	
LionBobby	LionBobby Travel Service Co., Ltd. (JPN) ("LionBobby JPN")	Travel industry	100.00	100.00	100.00	

a. The financial statements of subsidiaries included in the consolidated financial statements were not reviewed by independent auditors. As of March 31, 2020 and 2019, the combined total assets of these non-significant subsidiaries were NT$1,665,025 thousand and NT$1,710,369 thousand, respectively, representing 24.40% and 18.31%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT$618,600 thousand and NT$874,782 thousand, respectively, representing 13.50% and 12.62%, respectively, of the consolidated total liabilities; for the three-month periods ended March 31, 2020 and 2019, the amounts of combined comprehensive income (loss) of these subsidiaries were NT$(38,931) thousand and NT$(2,729) thousand, respectively, representing 78.41% and (1.88%), respectively, of the consolidated total comprehensive income (loss).

b. Although the Group held only 49% interest in Lion THA, the Group was able to direct Lion THA's activities; thus, the Group had control over this investee.

c. The Group invested Travel Story in August 2019.

d. Lion Technology has been dissolved on July 1, 2019.

e. Although the Group held only 38.86%, 41.32% and 43.10% interest in Fontrip Technology as of March 31, 2020, December 31, 2019 and March 31, 2019, respectively, the Group was able to direct Fontrip Technology's activities; thus, the Group had control over this investee.

12. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Computer Equipment	Transportation Equipment	Office Equipment	Total
Cost						
Balance at January 1, 2019	$ 39,527	$ 30,957	$ 154,310	$ 340,259	$ 266,756	$ 831,809
Additions	-	-	3,471	-	2,050	5,521
Disposals	-	-	(8,562)	-	(4,618)	(13,180)
Effect of foreign currency exchange differences	-	-	184	486	714	1,384
Balance at March 31, 2019	$ 39,527	$ 30,957	$ 149,403	$ 340,745	$ 264,902	$ 825,534
Accumulated depreciation						
Balance at January 1, 2019	$ -	$ 12,090	$ 85,541	$ 170,930	$ 108,357	$ 376,918
Depreciation expenses	-	138	8,555	8,465	9,391	26,549
Disposals	-	-	(8,521)	-	(4,604)	(13,125)
Effect of foreign currency exchange differences	-	-	171	141	615	927
Balance at March 31, 2019	$ -	$ 12,228	$ 85,746	$ 179,536	$ 113,759	$ 391,269
Carrying amounts at March 31, 2019	$ 39,527	$ 18,729	$ 63,657	$ 161,209	$ 151,143	$ 434,265
Cost						
Balance at January 1, 2020	$ 39,527	$ 30,957	$ 129,284	$ 341,718	$ 257,258	$ 798,744
Additions	-	-	1,037	19,492	5,954	26,483
Disposals	-	-	(18,766)	-	(6,766)	(25,532)
Reclassification	-	-	-	33,188	2,345	35,533
Effect of foreign currency exchange differences	-	-	(143)	(2,091)	(824)	(3,058)
Balance at March 31, 2020	$ 39,527	$ 30,957	$ 111,412	$ 392,307	$ 257,967	$ 832,170

(Continued)

	Land	Buildings	Computer Equipment	Transportation Equipment	Office Equipment	Total
Accumulated depreciation						
Balance at January 1, 2020	$ -	$ 12,643	$ 74,134	$ 205,349	$ 112,923	$ 405,049
Depreciation expenses	-	139	6,799	9,423	8,710	25,071
Disposals	-	-	(18,709)	-	(6,569)	(25,278)
Effect of foreign currency exchange differences	-	-	(128)	(971)	(501)	(1,600)
Balance at March 31, 2020	$ -	$ 12,782	$ 62,096	$ 213,801	$ 114,563	$ 403,242
Carrying amounts at December 31, 2019 and January 1, 2020	$ 39,527	$ 18,314	$ 55,150	$ 136,369	$ 144,335	$ 393,695
Carrying amounts at March 31, 2020	$ 39,527	$ 18,175	$ 49,316	$ 178,506	$ 143,404	$ 428,928

(Concluded)

No impairment assessment was performed for the three months ended March 31, 2020 and 2019, because there was no indication of impairment.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, as follows:

Buildings	55 years
Computer equipment	3-10 years
Transportation equipment	5-10 years
Office equipment	3-10 years

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 28.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2020	December 31, 2019	March 31, 2019
Carrying amounts			
Buildings	$ 1,751,597	$ 1,779,339	$ 1,863,280

	For the Three Months Ended March 31	
	2020	2019
Additions to right-of-use assets	$ 60,425	$ 433,703
Depreciation charge for right-of-use assets		
Buildings	$ 77,802	$ 70,678

No impairment assessment was performed for the three months ended March 31, 2020 and 2019, because there was no indication of impairment.

b. Lease liabilities

	March 31, 2020	December 31, 2019	March 31, 2019
Carrying amounts			
Current	$ 275,091	$ 283,160	$ 263,165
Non-current	$ 1,513,837	$ 1,524,858	$ 1,610,159

Discount rate for lease liabilities was as follows:

	March 31, 2020	December 31, 2019	March 31, 2019
Buildings	1.42%-1.87%	1.87%	1.87%

c. Material lease-in activities and terms

The Group leases buildings for the use of offices and stores with lease terms of 2 to 15 years. The Group does not have bargain purchase options to acquire the leasehold buildings at the end of the lease terms.

d. For the three months ended March 31, 2020 and 2019, the Group repaid the principal portion of lease $76,869 thousand and $69,339 thousand, respectively.

e. Other lease information

	For the Three Months Ended March 31	
	2020	2019
Expenses relating to short-term leases	$ 5,273	$ 18,602
Expenses relating to low-value asset leases	$ 267	$ 139
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 905	$ 641
Total cash outflow for leases	$ (6,445)	$ (19,382)

The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

14. OTHER ASSETS

	March 31, 2020	December 31, 2019	March 31, 2019
Current			
Prepayments			
Prepaid tour costs	$ 661,632	$ 1,551,548	$ 1,720,471
Inventory of supplies	69,767	64,881	80,105
Prepaid expenses	30,549	32,380	22,971
Others	911	500	612
	$ 762,859	$ 1,649,309	$ 1,824,159

(Continued)

	March 31, 2020	December 31, 2019	March 31, 2019
Non-current			
Other assets			
Refundable deposits	$ 207,277	$ 230,012	$ 223,241
Prepayments for equipment	21,302	41,121	655
Others	804	799	836
	$ 229,383	$ 271,932	$ 224,732

(Concluded)

15. BORROWINGS

a. Short-term borrowings

	March 31, 2020	December 31, 2019	March 31, 2019
Unsecured borrowings			
Line of credit borrowings	$ 303,984	$ 119,557	$ -
The range of weighted average effective interest rate on bank loans	0.89%-4.35%	0.58%-4.35%	-

b. Long-term borrowings

	March 31, 2020	December 31, 2019	March 31, 2019
Secured borrowings			
Bank loans	$ 52,221	$ 32,185	$ 18,649
Less: Current portions	(11,693)	(7,342)	(4,088)
Long-term borrowings	$ 40,528	$ 24,843	$ 14,561

The Group had obtained bank loans with transportation equipment pledged as security (refer to Note 28) for the loans. The loans are payable over 5 years and bear interest at the rate of 1.62% to 1.87% per annum.

16. OTHER LIABILITIES

	March 31, 2020	December 31, 2019	March 31, 2019
Current			
Other payables			
Accrued expense payable	$ 221,334	$ 223,490	$ 232,470
Accrued remuneration to employees and directors	21,457	19,242	34,385
Sales tax payable	5,353	27,484	12,173
Others	12,120	12,286	13,091
	$ 260,264	$ 282,502	$ 292,119

17. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group's defined benefit retirement plans were $401 thousand and $512 thousand for the three months ended March 31, 2020 and 2019, respectively, and were calculated using the actuarially determined pension cost discount rate as of December 31, 2019 and 2018.

18. EQUITY

a. Share capital

Common stock

	March 31, 2020	December 31, 2019	March 31, 2019
Number of authorized shares (in thousands)	100,000	100,000	100,000
Amount of authorized shares	$ 1,000,000	$ 1,000,000	$ 1,000,000
Number of issued and fully paid shares (in thousands)	70,000	70,000	70,000
Amount of issued and fully paid shares	$ 700,000	$ 700,000	$ 700,000

b. Capital surplus

	March 31, 2020	December 31, 2019	March 31, 2019
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Recognized from issuance of ordinary shares	$ 815,850	$ 815,850	$ 815,850
May be used to offset a deficit only			
Recognized from changes in percentage of ownership interest in subsidiary (2)	5,798	5,472	4,848
	$ 821,648	$ 821,322	$ 820,698

1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

2) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary that resulted from equity transactions other than actual disposal or acquisition.

c. Retained earnings and dividend policy

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors and supervisors after the amendment, refer to employees' compensation and remuneration of directors and supervisors in Note 20-(f).

The Company's dividends policy worked on development plans, investment environment, capital requirement, market competition and shareholder's profit. Every year, distribution of bonuses to shareholders is not lower than 10% of appropriated earnings. Bonuses could be cash dividends or stock dividends and cash dividends are not lower than 30% of total dividends.

Legal reserve should be appropriated until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve exceeds 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Under Rule No. 1010012865, issued by the Financial Supervisory Commission (FSC) and the directive titled "Questions and Answers on Special Reserves Appropriated Following Adoption of IFRS," the Company should appropriate or reverse to a special reserve.

The appropriations of earnings for 2019 proposed by the Company's board of directors on March 20, 2020 and the appropriations of earnings for 2018 approved in the shareholders' meeting on June 13, 2019 were as follows:

	Appropriation of Earnings		**Dividends Per Share (NT$)**	
	For the Year Ended December 31		**For the Year Ended December 31**	
	2019	**2018**	**2019**	**2018**
Legal reserve	$ 21,957	$ 25,607		
(Reversed) special reserve	(6,843)	10,762		
Cash dividends	140,000	266,000	$ 2.0	$ 3.8

The appropriations of earnings for 2019 will be presented for approval in the shareholders' meeting to be held on June 11, 2020.

d. Special reserves

	For the Three Months Ended March 31	
	2020	2019
Balance at January 1 and March 31	$ 68,747	$ 57,985

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Three Months Ended March 31	
	2020	2019
Balance at January 1	$ (75,086)	$ (60,506)
Recognized during the period		
Exchange differences on translating the financial statements of foreign operations	(11,715)	10,228
Balance at March 31	$ (86,801)	$ (50,278)

2) Unrealized loss on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2020	2019
Balance at January 1	$ 13,182	$ (8,241)
Recognized during the period		
Unrealized loss - equity instruments	(65,999)	(1,036)
Balance at March 31	$ (52,817)	$ (9,277)

f. Non-controlling interests

	For the Three Months Ended March 31	
	2020	2019
Balance at January 1	$ 178,376	$ 141,892
Share of profit for the period	6,476	7,168
Other comprehensive income during the period		
Exchange difference on translating the financial statements of foreign entities	(12,983)	581
Issuance of common stock for cash of subsidiaries	25,950	-
Acquisition of non-controlling interests in subsidiaries (Note 23)	-	(2,858)
Adjustment for changes in capital surplus (Note 23)	(326)	-
Balance at March 31	$ 197,493	$ 146,783

19. REVENUE

	For the Three Months Ended March 31	
	2020	2019
Revenue from contracts with customers		
Tour revenue	$ 4,371,683	$ 7,059,423
Others	77,941	174,258
	$ 4,449,624	$ 7,233,681

a. Disaggregation of revenue

	For the Three Months Ended March 31	
	2020	2019
Type of contract revenue		
Package tour revenue	$ 4,328,935	$ 6,992,395
FIT revenue	42,748	67,028
Others	77,941	174,258
	$ 4,449,624	$ 7,233,681

b. Contact balance

	March 31, 2020	December 31, 2019	March 31, 2019
Accounts receivable (Note 10)	$ 500,019	$ 791,863	$ 991,014
Contract liabilities - current	$ 1,222,033	$ 2,685,920	$ 2,350,614

The changes in the balance of contract liabilities primarily resulted from the timing difference between the Group’s performance and respective customer’s payment.

20. NET INCOME

a. Other income

	For the Three Months Ended March 31	
	2020	2019
Interest income	$ 5,108	$ 2,057
Rental income	3,644	5,404
Others	27,706	10,956
	$ 36,458	$ 18,417

b. Other gains and losses

	For the Three Months Ended March 31	
	2020	2019
Net gain on financial assets at fair value through profit or loss	$ 40,267	$ 32,317
Net foreign exchange gains	8,829	20,653
Gain on lease adjustments	127	-
Loss on disposal of property, plant and equipment	(208)	(30)
Others	(90)	(270)
	$ 48,925	$ 52,670

c. Finance costs

	For the Three Months Ended March 31	
	2020	2019
Interest on bank loans	$ 686	$ 109
Interest on lease liabilities	7,852	8,705
	$ 8,538	$ 8,814

d. Depreciation and amortization

	For the Three Months Ended March 31	
	2020	2019
An analysis of depreciation by function		
Operating costs	$ 10,196	$ 8,490
Operating expenses	92,677	88,737
	$ 102,873	$ 97,227
An analysis of amortization by function		
Operating costs	$ 415	$ 502
Operating expenses	68	54
	$ 483	$ 556

e. Employee benefits expense

	For the Three Months Ended March 31	
	2020	2019
Post-employment benefits		
Defined contribution plans	$ 22,352	$ 22,558
Defined benefit plans (Note 17)	401	512
	22,753	23,070
Other employee benefits	524,341	550,079
Total employee benefits expense	$ 547,094	$ 573,149
An analysis of employee benefits expense by function		
Operating costs	$ 40,518	$ 33,838
Operating expenses	506,576	539,311
	$ 547,094	$ 573,149

f. Employees' compensation and remuneration of directors and supervisors

The Company, accrued employees' compensation and remuneration of directors and supervisors at the rates of no less than 3% and no higher than 2%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors and supervisors.

For the three months ended March 31, 2020 and 2019, the employees' compensation and remuneration of directors and supervisors were as follows:

Accrual rate

	For the Three Months Ended March 31	
	2020	2019
Employees' compensation	5.0%	5.0%
Remuneration of directors and supervisors	0.7%	0.7%

Amount

	For the Three Months Ended March 31	
	2020	2019
	Cash	Cash
Employees' compensation	$ 2,403	$ 8,462
Remuneration of directors and supervisors	336	1,185

The appropriations for employees' compensation and remuneration of directors and supervisors for 2019 and 2018 resolved by the Company's board of directors on March 20, 2020 and on March 22, 2019, respectively, were as follows:

	For the Year Ended December 31			
	2019		2018	
	Cash	Share	Cash	Share
Employees' compensation	$ 14,657	$ -	$ 16,832	$ -
Remuneration of directors and supervisors	-	-	2,357	-

The Company's board of directors held its meeting on March 20, 2020. There is no difference between the actual amounts of employees' compensation and the amounts recognized in the consolidated financial statements for the year ended December 31, 2019. An amount of remuneration of directors and supervisors for 2019 was recognized in the consolidated financial statements for the year ended December 31, 2019 but no amount was approved in the board of directors' meeting; the amount will be adjusted to profit and loss for the year ended December 31, 2020.

	For the Year Ended December 31, 2019
	Remuneration of Directors and Supervisors
Amounts approved in the board of directors' meeting	$ -
Amounts recognized in the annual consolidated financial statements	$ 2,052

There was no difference between the actual amounts of employees' compensation and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2018.

Information on the employees' compensation and remuneration of directors and supervisors approved by the Company's board of directors in 2020 and 2019 is available at the Market Observation Post System.

g. Foreign exchange gains or losses

	For the Three Months Ended March 31	
	2020	2019
Foreign exchange gains	$ 44,686	$ 26,113
Foreign exchange losses	(35,857)	(5,460)
Net gains	$ 8,829	$ 20,653

21. INCOME TAX

a. Income tax recognized in profit or loss

Major components of tax expense recognized in profit or loss were as follows:

	For the Three Months Ended March 31	
	2020	2019
Current tax		
In respect of the current period	$ 17,888	$ 35,621
Deferred tax		
In respect of the current period	1,061	2,302
Income tax expense recognized in profit or loss	$ 18,949	$ 37,923

b. Income tax assessments

The tax returns of the Company for the years through 2017 have been assessed by the tax authorities. Nevertheless, to be conservative, including Shuangshi Investment, Lion Information, Lion Express, Lion DMC, Ansett Tour, Travel Around Investment, Uplan Travel, Xinflight Travel, New Vision, Fontrip Technology and LionBobby, recognized provision for the income tax assessed by the tax authorities through 2018.

22. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Three Months Ended March 31	
	2020	2019
Basic earnings per share	$ 0.49	$ 1.83
Diluted earnings per share	$ 0.49	$ 1.83

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net Profit for the Period

	For the Three Months Ended March 31	
	2020	2019
Income for the period attributable to owners of the Company	$ 34,570	$ 128,435

Weighted Average Number of Ordinary Shares Outstanding (In Thousand Shares)

	For the Three Months Ended March 31	
	2020	**2019**
Weighted average number of ordinary shares used in the computation of basic earnings per share	70,000	70,000
Effect of potentially dilutive ordinary shares:		
Employees' compensation	319	262
Weighted average number of ordinary shares used in the computation of diluted earnings per share	70,319	70,262

If the Group decides to settle compensation to employees in cash or shares, the Group will assume the entire amount of the compensation would be settled in shares; if the effect of this settlement is dilutive, the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share. The dilutive effect of the potential shares will be included in the computation of diluted earnings per share until the number of shares to be distributed to employees is approved in the following year.

23. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

On March 20, 2020, Fontrip Technology issued additional new shares and recognized shares for employee stock options; as a result, the Group's continuing interest was reduced from 41.32% to 38.86%.

	Fontrip Technology
Cash consideration paid	$ -
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	326
Differences recognized from equity transaction	$ 326
Line items adjusted for equity transaction	
Capital surplus - changes in percentage of ownership interest in subsidiary	$ 326

On January 3, 2019, the Group subscribed 41.67% non-controlling interest shares from New Vision, and increased the Group's continuing interest from 58.33% to 100.00%.

	New Vision
Cash consideration paid	$ (2,858)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	2,858
Differences recognized from equity transaction	$ -

24. EXPLANATORY COMMENTS ABOUT THE SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The travel industry is highly seasonal in nature. Based on past experience, the Group's operations peak annually during the Chinese New Year holiday in the first quarter and the summer holidays in the third quarter. The Group recognizes revenue on over time of services.

In the second quarter and fourth quarter of each year, the Group's expenditures increase because of tourism promotion. The Group cannot measure the future benefits of these expenditures, so it recognizes these expenditures as current expenses.

25. CAPITAL MANAGEMENT

The Groups' capital management strategy is based on its need for working capital and capital expenditure for product processing (e.g., advance ticket purchases or table reservations), sales promotion, marketing and distribution of dividends.

26. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

In the management's opinion, value of financial instruments that are not measured at fair value approaches the fair value of financial instruments.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Privately offered fund	$ -	$ -	$ 224,362	$ 224,362
Financial assets at FVTOCI				
Investment in equity instruments				
Listed funds and emerging market shares	$ 29,940	$ 76,935	$ -	$ 106,875
Domestic unlisted shares	-	-	10,733	10,733
Foreign unlisted shares	-	-	6,541	6,541
	$ 29,940	$ 76,935	$ 17,274	$ 124,149

December 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Privately offered fund	$ -	$ -	$ 184,905	$ 184,905
Financial assets at FVTOCI				
Investment in equity instruments				
Listed funds and emerging market shares	$ 30,750	$ 152,475	$ -	$ 183,225
Domestic unlisted shares	-	-	12,067	12,067
Foreign unlisted shares	-	-	6,541	6,541
	$ 30,750	$ 152,475	$ 18,608	$ 201,833

March 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Privately offered fund	$ -	$ -	$ 160,272	$ 160,272
Financial assets at FVTOCI				
Investment in equity instruments				
Listed funds and emerging market shares	$ 30,000	$ 4,123	$ -	$ 34,123
Domestic unlisted shares	-	-	13,400	13,400
	$ 30,000	$ 4,123	$ 13,400	$ 47,523

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Valuation techniques and inputs applied for the purpose of Level 1 fair value measurement

Level 1 inputs are quoted prices when available or inputs that are directly or indirectly observable for the financial assets, which have standard terms and conditions.

3) Valuation techniques and inputs applied for the purpose of Level 2 fair value measurement

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly in the active markets, and these include quoted prices of similar financial instruments in active market, prices for identical or similar financial assets or liabilities in markets that are not active, or valuation models which have observable inputs based on accessible data from the markets, such as interest rates, yield curve, and volatility.

4) Valuation techniques and inputs applied for the purpose of Level 3 fair value measurement

The required input cost of evaluating privately offered fund and domestic unlisted shares is not economical, so the Group used net value of investment target company and adopts the market approach as the basis for evaluation.

c. Categories of financial instruments

	March 31, 2020	December 31, 2019	March 31, 2019
Financial assets			
Financial assets at FVTPL			
Mandatorily measured at FVTPL	$ 224,362	$ 184,095	$ 160,272
Measured at amortized cost (Note 1)	3,433,585	4,484,646	4,951,614
Financial assets at FVTOCI	124,149	201,833	47,523
Financial liabilities			
Measured at amortized cost (Note 2)	1,356,713	1,839,347	2,482,304

Note 1: The balances included financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, accounts receivable, other current financial assets and refundable deposits.

Note 2: The balances included financial liabilities measured at amortized cost, which comprise short-term borrowing, notes payable, accounts payable, other payables, long-term borrowing (including current portion of long-term borrowing) and guarantee deposits received.

d. Financial risk management objectives and policies

The financial risks on the Group's operations pertain to market, credit, and liquidity. For financial risk management, the Group not only identifies and evaluates the market uncertainties but also applies a conservative approach to its operations. That is, the Group does not use or trade higher-risk derivative financial instruments and other complex financial instruments. This way, the Group protects itself from the effects of adverse market fluctuations.

1) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. However, the Group's borrowing and demand deposits all have fixed interest rates, so there is no material cash flow risk due to interest rate changes. In addition, the Group's management assesses the operating environment to determine if derivative financial instruments may be used to reduce currency risk.

a) Currency risk

The Group manages currency risk by using derivative financial instruments, i.e., the Group uses these instruments for hedging against adverse changes in exchange rates. In addition, reserves have been set up for each foreign currency required for operations, and these reserves are reviewed regularly for adequacy.

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 30.

Sensitivity analysis

The Group was mainly exposed to the USD.

The following table shows the Group's sensitivity to a 5% increase and decrease in New Taiwan dollars (the functional currency) against the relevant foreign currencies. The 5% sensitivity rate is used when foreign currency risk is reported internally to key management personnel as well as represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency-denominated monetary items and forward contracts designated as cash flow hedges, and the translation of these items and contracts at the end of the reporting period is adjusted for a 5% change in foreign currency rates. A positive (negative) number below indicates an increase (decrease) in pretax profit in New Taiwan dollars due to a 5% weakening against the relevant currency. For a 5% strengthening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pretax profit.

	For the Three Months Ended March 31	
	2020	**2019**
USD	$ 8,685	$ (897)

The above amounts were mainly attributable to period-end balances of cash in banks and outstanding foreign currency payables and receivables, which were not hedged at the end of reporting period.

b) Other price risk

The Group was exposed to equity price risk through its privately offered fund and investments in equity securities. Equity investments are held for strategic rather than for trading purposes; the Group does not actively trade these investments. The Group measured price risk of privately offered fund and investments in equity securities by performing sensitivity analysis.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower, pre-tax income for the three months ended March 31, 2020 and 2019 would have increased/decreased by $11,218 thousand and $8,014 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the three months ended March 31, 2020 and 2019 would have increased/decreased by $6,207 thousand and $2,376 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations, resulting in uncollectible receivables that could bring financial loss to the Group. The Group manages credit risk as follows:

a) For the maintenance or enhancement of the quality of receivables, the Group evaluates the creditworthiness of commercial customers and other travel service companies before transacting with them. The Group has also implemented a receivables management and collection system to reduce credit risk.

b) The Group enters into financial instrument contracts only with banks that have good credit status; thus, the Group has no significant risk arising from breach of contracts.

Further, there is no concentration of credit risk because the Group diversifies its customer or financial transaction counterparty pool.

3) Liquidity risk

The main objective of the Group's liquidity risk management - specifically in relation to cash, cash equivalents, banking facilities and so on - is to ensure that the Group has sufficient funds for its daily operations and activities. In addition, the receivable collection periods are similar to those in the market. For example, the Group requires that the settlement of check payments should be within one month after the check issue date. Payments for credit cards and other receivables should be settled within one month of the statement dates. Accounts payable should be settled within 90 days after the transaction. Further, the Group sees to it that funds are sufficient to cover daily operations as well as meet its bank borrowing obligation.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed-upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. The maturity dates for other non-derivative financial liabilities were based on the agreed-upon repayment dates.

March 31, 2020

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total
Lease liabilities	$ 18,353	$ 40,870	$ 215,868	$ 912,197	$ 601,640	$ 1,788,928
Floating rate instrument	967	216,938	97,772	40,528	-	356,205
	$ 19,320	$ 257,808	$ 313,640	$ 952,725	$ 601,640	$ 2,145,133

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years
Lease liabilities	$ 300,621	$ 988,811	$ 620,652

December 31, 2019

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total
Lease liabilities	$ 24,198	$ 48,672	$ 210,290	$ 892,717	$ 632,141	$ 1,808,018
Floating rate instrument	606	56,658	69,635	24,843	-	151,742
	$ 24,804	$ 105,330	$ 279,925	$ 917,560	$ 632,141	$ 1,959,760

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years
Lease liabilities	$ 314,456	$ 995,412	$ 659,641

March 31, 2019

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total
Lease liabilities	$ 21,586	$ 65,301	$ 176,278	$ 892,918	$ 717,241	$ 1,873,324
Floating rate instrument	337	677	3,074	14,561	-	18,649
	$ 21,923	$ 65,978	$ 179,352	$ 907,479	$ 717,241	$ 1,891,973

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years
Lease liabilities	$ 295,405	$ 995,329	$ 752,671

b) Financing facilities

	March 31, 2020	December 31, 2019	March 31, 2019
Unsecured bank overdraft facilities, reviewed annually:			
Amount used	$ 303,984	$ 119,557	$ -
Amount unused	1,353,001	1,506,296	1,151,135
	$ 1,656,985	$ 1,625,853	$ 1,151,135
Secured bank overdraft facilities which may be extended by mutual agreement:			
Amount used	$ 52,221	$ 32,185	$ 18,649
Amount unused	280	22,406	39,000
	$ 52,501	$ 54,591	$ 57,649

27. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. In addition to those disclosed in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. The name of the related party and its relationship with the Group

Related Party Name	Relationship Between the Group and Other Related Parties
JWI Marketing Co., Ltd.	Substantive related party
AnsetTrans Co., Ltd.	Substantive related party
XinMedia Co., Ltd.	Substantive related party
American Vacation, Inc.	Substantive related party
Lion Consulting Co., Ltd.	Substantive related party
Lion Investment Co., Ltd.	Substantive related party
Travel Trend Investment Co., Ltd.	Substantive related party
XIN Investment Co., Ltd.	Substantive related party
Bobby Travel Service Co., Ltd.	Substantive related party
Industrial Technology Research Institute	Substantive related party

b. Operating revenue

		For the Three Months Ended March 31	
Line Item	Related Party Category	2020	2019
Operating revenue	Substantive related party	$ 4,078	$ 3,015

The selling prices in related-party transactions were not significantly different from those for transactions with third parties.

c. Operating costs

		For the Three Months Ended March 31	
Line Item	Related Party Category	2020	2019
Operating costs	Substantive related party	$ 10,549	$ 12,802

The purchase prices in related-party transactions were not significantly different from those for transactions with third parties.

d. Accounts receivable from related parties

Line Item	Related Party Category	March 31, 2020	December 31, 2019	March 31, 2019
Accounts receivable	Substantive related party	$ 396	$ 352	$ 868

The outstanding accounts receivable from related parties were unsecured. For the three months ended March 31, 2020 and 2019, no impairment loss was recognized on accounts receivable from related parties.

e. Accounts payable to related parties

Line Item	Related Party Category	March 31, 2020	December 31, 2019	March 31, 2019
Accounts payable	Substantive related party	$ 1,518	$ 2,044	$ 3,564

The outstanding accounts payable to related parties were unsecured and payable in cash.

f. Lease arrangements

1) Lease liabilities

		March 31	
Line Item	**Related Party Category**	**2020**	**2019**
Lease liabilities - current	Substantive related party	$ 4,093	$ 2,671
Lease liabilities - non-current	Substantive related party	459	3,410
		$ 4,552	$ 6,081

2) Lease transactions

The revenues and expenses related to lease transactions with related parties were based on market conditions and were not significantly different from those for transactions with third parties.

		For the Three Months Ended March 31	
Line Item	**Related Party Category**	**2020**	**2019**
Rental revenue	Substantive related party	$ 2,865	$ 4,408

The balances of other lease receivables from related parties (account included in other current assets) were as follows:

Related Party Category	March 31, 2020	December 31, 2019	March 31, 2019
Substantive related party	$ 73	$ 234	$ 360

g. Other transactions with related parties

1) Revenue from administration services

The Group provided administrative service to related parties, and recognized the revenue from the services as a reduction of operating expenses.

	For the Three Months Ended March 31	
Related Party Category	**2020**	**2019**
Substantive related party	$ 3,933	$ 3,951

The balances of other receivables from related parties (account included in other current assets) were as follows:

Related Party Category	March 31, 2020	December 31, 2019	March 31, 2019
Substantive related party	$ 620	$ 618	$ 886

2) Advertising, video production and travel magazine expenses

Related parties produced advertisements and travel videos for the Group, and the Group subscribed to travel magazines published by related parties, which related expenses were recognized as advertising expenses.

	For the Three Months Ended March 31	
Related Party Category	2020	2019
Substantive related party	$ 15,083	$ 4,562

h. Compensation of key management personnel

	For the Three Months Ended March 31	
	2020	2019
Short-term employee benefits	$ 52,801	$ 52,563
Post-employment benefits	1,686	1,650
	$ 54,487	$ 54,213

The remunerations of directors and key executives were determined by the remuneration committee on the basis of individual performance and market trends.

28. ASSETS PLEDGED AS COLLATERALS OR FOR SECURITY

	March 31, 2020	December 31, 2019	March 31, 2019
Pledged deposits and demand deposits	$ 58,390	$ 79,211	$ 84,105
Property, plant and equipment, net	73,362	22,220	24,200
	$ 131,752	$ 101,431	$ 108,305

Under the regulations of the Tourism Bureau of the Ministry of Transportation and Communications, time deposits had been pledged as guarantee deposits for the operation of credit card machines and as part of meeting requirements for daily operations. These pledged time deposits were recognized as other current financial assets.

29. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group are the following:

a. Letters of guarantee obtained by the Group from banks and issued for hotel and transportation reservations, which amounted to $2,912,002 thousand, $2,904,464 thousand and $2,722,710 thousand as of March 31, 2020, December 31, 2019 and March 31, 2019, respectively.

b. Letters of guarantee provided to buy tickets from airlines and others, which amounted to $440,586 thousand, $755,945 thousand and $665,032 thousand as of March 31, 2020, December 31, 2019 and March 31, 2019, respectively.

30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information is an aggregation of foreign currencies other than the functional currencies of the Group and includes the exchange rates between foreign currencies and respective functional currencies. The significant assets and liabilities denominated in foreign currencies were as follows:

	Foreign Currencies	Exchange Rate	Carrying Amount
March 31, 2020			
Financial assets			
Monetary items			
USD	$ 8,072	30.23 (USD:NTD)	$ 244,017
JPY	151,398	0.28 (JPY:NTD)	42,391
RMB	5,827	4.26 (RMB:NTD)	24,823
EUR	483	33.27 (EUR:NTD)	16,069
AUD	288	18.64 (AUD:NTD)	5,368
CHF	151	31.43 (CHF:NTD)	4,746
HKD	1,014	3.90 (HKD:NTD)	3,955
CAD	168	21.33 (CAD:NTD)	3,583
			$ 344,952
Financial liabilities			
Monetary items			
USD	$ 2,326	30.23 (USD:NTD)	$ 70,315
JPY	118,275	0.28 (JPY:NTD)	33,117
EUR	704	33.27 (EUR:NTD)	23,422
THB	6,395	0.92 (THB:NTD)	5,883
RMB	1,324	4.26 (RMB:NTD)	5,640
NZD	238	18.12 (NZD:NTD)	4,313
CAD	194	21.33 (CAD:NTD)	4,138
AUD	166	18.64 (AUD:NTD)	3,094
CHF	75	31.43 (CHF:NTD)	2,357
			$ 152,279

(Continued)

	Foreign Currencies	Exchange Rate	Carrying Amount
December 31, 2019			
Financial assets			
Monetary items			
USD	$ 9,487	30.08 (USD:NTD)	$ 285,369
JPY	767,817	0.28 (JPY:NTD)	214,989
EUR	2,626	33.74 (EUR:NTD)	88,601
RMB	13,579	4.32 (RMB:NTD)	58,661
AUD	2,073	21.10 (AUD:NTD)	43,740
HKD	7,393	3.87 (HKD:NTD)	28,611
CAD	772	23.08 (CAD:NTD)	17,818
NZD	576	20.27 (NZD:NTD)	11,676
GBP	264	39.52 (GBP:NTD)	10,433
CHF	105	31.07 (CHF:NTD)	3,262
			$ 763,160
Financial liabilities			
Monetary items			
JPY	$ 544,511	0.28 (JPY:NTD)	$ 152,463
USD	4,503	30.08 (USD:NTD)	135,450
RMB	14,905	4.32 (RMB:NTD)	64,390
EUR	1,737	33.74 (EUR:NTD)	58,606
AUD	1,016	21.10 (AUD:NTD)	21,438
NZD	910	20.27 (NZD:NTD)	18,446
THB	16,581	1.01 (THB:NTD)	16,747
HKD	3,843	3.87 (HKD:NTD)	14,872
CAD	534	23.08 (CAD:NTD)	12,325
GBP	110	39.52 (GBP:NTD)	4,347
MYR	457	7.03 (MYR:NTD)	3,213
SGD	45	22.37 (SGD:NTD)	1,007
			$ 503,304

(Continued)

	Foreign Currencies	Exchange Rate	Carrying Amount
March 31, 2019			
Financial assets			
Monetary items			
USD	$ 5,570	30.81 (USD:NTD)	$ 171,612
JPY	584,309	0.28 (JPY:NTD)	163,607
RMB	16,506	4.58 (RMB:NTD)	75,597
EUR	1,977	34.61 (EUR:NTD)	68,424
AUD	792	21.85 (AUD:NTD)	17,305
NZD	374	20.95 (NZD:NTD)	7,835
CHF	153	30.96 (CHF:NTD)	4,737
HKD	1,176	3.93 (HKD:NTD)	4,622
CAD	185	22.95 (CAD:NTD)	4,246
			$ 517,985
Financial liabilities			
Monetary items			
JPY	$ 845,795	0.28 (JPY:NTD)	$ 236,823
USD	6,152	30.81 (USD:NTD)	189,543
EUR	3,407	34.61 (EUR:NTD)	117,916
RMB	24,117	4.58 (RMB:NTD)	110,456
HKD	8,060	3.93 (HKD:NTD)	31,676
AUD	1,116	21.85 (AUD:NTD)	24,385
THB	16,924	0.97 (THB:NTD)	16,416
CAD	570	22.95 (CAD:NTD)	13,082
NZD	564	20.95 (NZD:NTD)	11,816
CHF	182	30.96 (CHF:NTD)	5,635
GBP	89	40.16 (GBP:NTD)	3,574
			$ 761,322

(Concluded)

The significant realized and unrealized net foreign exchange gains were as follows:

	For the Three Months Ended March 31, 2020		For the Three Months Ended March 31, 2019	
Functional Currencies	Exchange Rate	Net Foreign Exchange Gain	Exchange Rate	Net Foreign Exchange Gain
NTD	1 (NTD:NTD)	$ 8,829	1 (NTD:NTD)	$ 20,653

31. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and investees:

1) Financing provided to others. (None)

2) Endorsements/guarantees provided. (Table 1)

3) Marketable securities held. (Table 2)

4) Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital. (None)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital. (None)

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital. (None)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 3)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (None)

9) Trading in derivative instruments. (None)

10) Intercompany relationships and significant intercompany transactions. (Table 4)

11) Information on investees. (Table 5)

b. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 6)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Table 7)

   a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

   b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

   c) The amount of property transactions and the amount of the resultant gains or losses.

   d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

   e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

   f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

c. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder. (Table 8)

32. SEGMENT INFORMATION

The information provided to the chief operating decision makers is for resource allocation and assessment of segment performance focuses on the types of goods and services to be delivered. The Group's reportable segments were distinguished by operating segments.

Segments revenues and operating results

The following was an analysis of the Group's revenue and operating results by reportable segments.

	Travel Department	Others	Elimination	Total
For the three months ended March 31, 2020				
Revenues from external customers	$ 4,424,848	$ 24,776	$ -	$ 4,449,624
Inter-segment revenues	683,666	89,096	(772,762)	-
Segment revenues	$ 5,108,514	$ 113,872	$ (772,762)	$ 4,449,624
Segment income	$ (15,323)	$ (11,692)	$ 10,165	$ (16,850)
Non-operating income				76,845
Profit before income tax				$ 59,995
For the three months ended March 31, 2019				
Revenues from external customers	$ 7,194,822	$ 38,859	$ -	$ 7,233,681
Inter-segment revenues	961,699	99,238	(1,060,937)	-
Segment revenues	$ 8,156,521	$ 138,097	$ (1,060,937)	$ 7,233,681
Segment income	$ 111,685	$ (9,558)	$ 9,126	$ 111,253
Non-operating income				62,273
Profit before income tax				$ 173,526

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee Receiver		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 4)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 5)	Actual Borrowing Amount (Note 6)	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 7)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 7)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 7)	Note
		Name	Relationship (Note 2)											
0	Lion Travel Service Co., Ltd. ("The Company")	Lion Shanghai	b	$ 408,718	$ 43,320	$ 42,580	$ 42,580	$ -	2.08	$ 2,043,591	Y	N	Y	
		Skylion Travel	b	408,718	21,660	21,290	8,984	-	0.44	2,043,591	Y	N	Y	
		Lion Travel Service Co., Ltd. (JPN)	b	408,718	83,730	83,730	-	-	-	2,043,591	Y	N	N	

Note 1: Significant transactions between the Company and its subsidiaries or among subsidiaries are numbered as follows:

a. "0" for the Company.
b. Subsidiaries are numbered from "1".

Note 2: Relationships between the endorser/guarantor and the endorsee/guarantee receiver:

a. The Company and guarantee party have business deals.
b. The Company directly and indirectly owned over 50% of guaranteed party's voting stocks.
c. The guaranteed party owned directly and indirectly over 50% of the Company's voting stocks.
d. The guaranteed party owned directly and indirectly over 90% of the Company's voting stocks.
e. The guarantor and guaranteed party are peers in contract projects or co-builders in accordance with contract provisions which require mutual insurance company.
f. Owing to the joint venture funded by all shareholders on its endorsement of its holding company.
g. Peers in performance bond joint security of pre-sale house contract under Consumer Protection Act.

Note 3: The maximum balance of the aggregate endorsement/guarantee should not exceed 100% of the endorser's net value as shown in its most recent financial statements. The maximum balance of the endorsement/guarantee to an individual counterparty should not exceed 20% of the endorser's net value as shown in its most recent financial statements.

Note 4: The balance of the period as the highest guarantee of endorsement.

Note 5: Amount approved by the Company's board of directors. The Company's board follows Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies Article 12-8 Hierarchy of decision-making authority and delegation that means the amount was decided by the chairman of the board of directors.

Note 6: To fill in the amount which used by the borrowing company.

Note 7: Related to endorsement/guarantee given by parent on behalf of subsidiaries, subsidiaries on behalf of parent and companies in Mainland China fill in "Y" if yes or "N" if no.

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
MARCH 31, 2020
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities (Note 1)	Relationship with the Holding Company (Note 2)	Financial Statement Account	December 31, 2019				Note
				Shares (In Thousands)	Carrying Amount (Note 3)	Percentage of Ownership	Fair Value	
Lion Travel Service Co., Ltd. (“The Company”)	Privately offered fund							
	Millerful Value Creation Fund I	-	Financial assets at FVTPL - non-current	-	$ 224,362	-	$ 224,362	
The Company	Fund							
	Millerful No.1 Real Estate Investment Trust	-	Financial assets at FVTOCI - non-current	3,000	29,940	-	29,940	Note 6
The Company	Stock							
	Development of cultural and creative value of Venture Capital Co., Ltd.	-	Financial assets at FVTOCI - non-current	733	7,333	0.67	7,333	
	Japan Hotel Advanced Technologies	-	Financial assets at FVTOCI - non-current	1	6,541	3.01	6,541	
	Tigerair Taiwan Co., Ltd.	-	Financial assets at FVTOCI - non-current	2,000	50,220	1.00	50,220	Note 6
Shuangshi Investment	Stock							
	Vigor Kobo Co., Ltd.	-	Financial assets at FVTOCI - non-current	140	1,605	0.84	1,605	Note 6
LionBobby	Stock							
	Yuyupas Co., Ltd.	-	Financial assets at FVTOCI - non-current	240	2,400	4.80	2,400	
	Circle Island Tours Co., Ltd.	-	Financial assets at FVTOCI - non-current	100	1,000	10.00	1,000	
	Tigerair Taiwan Co., Ltd.	-	Financial assets at FVTOCI - non-current	500	12,555	0.25	12,555	Note 6
Uplan Travel	Stock							
	Tigerair Taiwan Co., Ltd.	-	Financial assets at FVTOCI - non-current	500	12,555	0.25	12,555	Note 6

Note 1: The marketable securities in this table is related to stock, bonds and short-term investments of “IFRS 9 Financial Instruments”

Note 2: Transactions issuer was not determined as significantly related parties should leave the blank empty.

Note 3: Showing at carrying amounts with adjustments for fair value and deducted accumulated impairment loss; otherwise, showing at their original carrying amounts on amortized cost deducted the accumulated impairment loss.

Note 4: Which amount remarked as guaranteed and pledged should note on the table.

Note 5: The information about subsidiaries, associates and joint ventures, please refer to Tables 5 and 6.

Note 6: The fair value of listed funds and emerging stock is the average transaction price in March 31, 2020.

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(In Thousands of New Taiwan Dollars)

Buyer	Related Party	Relationship	Transaction Details (Note 1)				Abnormal Transaction (Note 1)		Notes/Accounts Receivable (Payable)		Note (Note 2)
			Purchase/ Sales	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Lion Travel Service Co., Ltd. ("The Company")	Uplan Travel	Equity-method investees of grandson company	Purchase	$ 413,146	11.82	Same as those for unrelated parties	No significant difference	No significant difference	$ (1,284)	0.20	
Uplan Travel	The Company	Parent company	Sales	413,146	77.34	Same as those for unrelated parties	No significant difference	No significant difference	1,284	26.07	

Note 1: Condition of transactions which different from related parties and general should note the difference on the table.

Note 2: Note the reason, payment terms, amount, and general condition if there is an advance receipts or prepayments.

Note 3: Actual capital amount which from the Company, including no par stock and stock unequal $10 New Taiwan dollar is determined as 20% of the equity. Calculated by 10% of the equity attributable to the owners of the Company on the balance sheet.

Note 4: The transactions between the Company and investee companies have already been eliminated in the preparation of the consolidated financial statements.

TABLE 4

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(Amounts in Thousands of New Taiwan Dollars)

No. (Note 1)	Company	Counterparty	Flow of Transactions (Note 2)	Transaction Details (Note 4)			
				Financial Statement Account	Amount (Note 3)	Payment Terms	% to Total Sales or Assets (Note 3)
0	Lion Travel Service Co., Ltd. ("The Company")	LionBobby	1	Operating revenue	$ 1,977	Without significant difference from transactions with unrelated parties	0.04
		Lion DMC	1	Other revenue	2,582	Without significant difference from transactions with unrelated parties	0.06
		Lion DMC	1	Accounts payable	5,260	Without significant difference from transactions with unrelated parties	0.08
		Uplan Travel	2	Operating revenue	17,101	Without significant difference from transactions with unrelated parties	0.38
		Uplan Travel	2	Operating costs	413,146	Without significant difference from transactions with unrelated parties	9.28
		Lion JPN	2	Operating costs	47,258	Without significant difference from transactions with unrelated parties	1.06
		Lion Shanghai	2	Operating costs	43,066	Without significant difference from transactions with unrelated parties	0.97
		Lion SYD	2	Operating costs	37,238	Without significant difference from transactions with unrelated parties	0.84
		Lion AKL	2	Operating costs	29,229	Without significant difference from transactions with unrelated parties	0.66
		Lion YVR	2	Operating costs	22,986	Without significant difference from transactions with unrelated parties	0.52
		US Lion	2	Operating costs	20,578	Without significant difference from transactions with unrelated parties	0.46
		Lion THA	2	Operating costs	17,034	Without significant difference from transactions with unrelated parties	0.38
		Skylion Travel	2	Operating costs	6,186	Without significant difference from transactions with unrelated parties	0.14
		Lion Beijing	2	Operating costs	2,213	Without significant difference from transactions with unrelated parties	0.05
		Lion UK	2	Operating costs	2,085	Without significant difference from transactions with unrelated parties	0.05
		Lion Information	2	Other revenue	3,773	Without significant difference from transactions with unrelated parties	0.08
		Lion Shanghai	2	Prepayments	6,990	Without significant difference from transactions with unrelated parties	0.10
		Lion THA	2	Prepayments	5,385	Without significant difference from transactions with unrelated parties	0.08
		US Lion	2	Prepayments	2,580	Without significant difference from transactions with unrelated parties	0.04
		Lion JPN	2	Prepayments	1,739	Without significant difference from transactions with unrelated parties	0.03
		Skylion Travel	2	Other non-current assets	11,475	Without significant difference from transactions with unrelated parties	0.17
		Lion THA	2	Accounts payable	8,538	Without significant difference from transactions with unrelated parties	0.13
		Lion YVR	2	Accounts payable	4,314	Without significant difference from transactions with unrelated parties	0.06
		Skylion Travel	2	Accounts payable	4,141	Without significant difference from transactions with unrelated parties	0.06
		Lion AKL	2	Accounts payable	4,124	Without significant difference from transactions with unrelated parties	0.06
		Lion SYD	2	Accounts payable	3,506	Without significant difference from transactions with unrelated parties	0.05
		US Lion	2	Accounts payable	2,649	Without significant difference from transactions with unrelated parties	0.04
		Lion Shanghai	2	Accounts payable	2,335	Without significant difference from transactions with unrelated parties	0.03
		Lion Information	2	Other payables	16,884	Without significant difference from transactions with unrelated parties	0.25
2	Lion Information	the Company	2	Operating revenue	54,822	Without significant difference from transactions with unrelated parties	1.23
2	Lion Express	the Company	2	Operating revenue	3,347	Without significant difference from transactions with unrelated parties	0.08
2	Fontrip Technology	the Company	2	Operating revenue	1,860	Without significant difference from transactions with unrelated parties	0.04
2	Lion Express	Lion DMC	5	Operating revenue	19,470	Without significant difference from transactions with unrelated parties	0.44

(Continued)

No. (Note 1)	Company	Counterparty	Flow of Transactions (Note 2)	Transaction Details (Note 4)			
				Financial Statement Account	Amount (Note 3)	Payment Terms	% to Total Sales or Assets (Note 3)
2	Lion JPN	Uplan Travel	6	Operating revenue	$ 8,375	Without significant difference from transactions with unrelated parties	0.19
2	Ansett Tour	Lion Express	6	Operating revenue	3,300	Without significant difference from transactions with unrelated parties	0.07
2	Lion JPN	Skylion Travel	6	Operating revenue	3,226	Without significant difference from transactions with unrelated parties	0.07
2	Lion THA	Uplan Travel	6	Operating revenue	3,088	Without significant difference from transactions with unrelated parties	0.07
2	Lion Information	Uplan Travel	6	Operating revenue	1,920	Without significant difference from transactions with unrelated parties	0.04
2	Lion YVR	Uplan Travel	6	Operating revenue	1,833	Without significant difference from transactions with unrelated parties	0.04

Note 1: Companies are identified by number, as follows:

a. “0” represents the parent company.
b. “1” represents the subsidiary.
c. “2” represents the grandson company.

Note 2: The flow of transactions is as follows:

a. 1 - from the parent company to the subsidiary.
b. 2 - from the parent company to the grandson company.
c. 3 - between subsidiaries.
d. 4 - from the subsidiary to the grandson company.
e. 5 - from the grandson company to the subsidiary.
f. 6 - between grandson companies.

Note 3: Percentage of consolidated operating revenues or consolidated total assets: If the account is in the balance sheet account, it was calculated by dividing the ending balance by the consolidated total assets; if the account is in the income statement, it was calculated by dividing the interim cumulative balance by the consolidated operating revenue.

Note 4: The important transactions listed are in accordance with the materiality principle of the Company.

Note 5: The transactions between the Company and investee companies have been eliminated in the preparation of the consolidated financial statements.

(Concluded)

TABLE 5

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company (Notes 1 and 2)	Location	Main Business and Product	Original Investment Amount		As of March 31, 2020			Net Income (Loss) of the Investee (Note 2 b)	Share of Profit (Loss) (Note 2 c)	Note
				March 31, 2020	December 31, 2019	Shares (In Thousands)	%	Carrying Amount			
Lion Travel Service Co., Ltd. ("The Company")	Shuangshi Investment	Taiwan	Investments	$ 280,000	$ 270,000	32,000	100	$ 358,723	$ 10,915	$ 10,915	Subsidiary (Note 5)
	Lion Holding	Hong Kong	Investments	572,217	572,217	143,740	100	523,673	(6,202)	(6,202)	Subsidiary
	Lion DMC	Taiwan	Travel industry	97,980	97,980	10,000	100	38,188	(15,931)	(15,931)	Subsidiary (Note 5)
	LionBobby	Taiwan	Travel industry	66,000	66,000	6,600	55	43,954	(6,161)	(3,389)	Subsidiary (Note 5)
Shuangshi Investment	Lion Information	Taiwan	Information technology industry	14,301	14,301	3,000	100	29,214	974	974	Grandson company (Note 5)
	Lion Express	Taiwan	Tour bus transportation industry	110,336	110,336	11,500	100	108,409	(6,150)	(6,150)	Grandson company (Note 5)
	Ansett Tour	Taiwan	Tour bus transportation industry	40,517	40,517	5,000	100	46,010	(165)	(165)	Grandson company (Note 5)
	Travel Around Investment	Taiwan	Investments	102,000	90,000	11,900	100	172,287	16,315	16,315	Grandson company (Note 5)
Lion Holding	Lion YVR	Canada	Travel industry	19,548 CAD 662	19,548 CAD 662	100	100	36,201	(426) (CAD 19)	(426) (CAD 19)	Grandson company (Note 5)
	Lion SYD	Australia	Travel industry	1,961 AUD 67	1,961 AUD 67	44	100	6,526	(219) (AUD 11)	(219) (AUD 11)	Grandson company (Note 5)
	Lion AKL	New Zealand	Travel industry	2,527 NZD 113	2,527 NZD 113	0.1	100	4,647	889 NZD 46	889 NZD 46	Grandson company (Note 5)
	Lion HK	Hong Kong	Travel industry	63,780 HKD 16,294	63,780 HKD 16,294	3	100	90,534	932 HKD 240	932 HKD 240	Grandson company (Note 5)
	US Lion	United States	Travel industry	37,182 USD 1,200	37,182 USD 1,200	1,200	100	35,455	(2,693) (USD 89)	(2,693) (USD 89)	Grandson company (Note 5)
	Lion JPN	Japan	Travel industry	85,927 JPY 274,000	85,927 JPY 274,000	27	100	73,967	(2,759) (JPY 9,968)	(2,759) (JPY 9,968)	Grandson company (Note 5)
	Lion THA	Thailand	Travel industry	11,579 THB 12,395	11,579 THB 12,395	1,323	49	26,640	834 THB 863	409 THB 423	Grandson company (Note 5)
	Lion UK	United Kingdom	Travel industry	12,321 GBP 300	12,321 GBP 300	300	100	13,274	249 GBP 6	249 GBP 6	Grandson company (Note 5)
	Travel Story	Japan	Travel industry	18,362 JPY 63,600	18,362 JPY 63,600	7	100	11,473	(1,273) (JPY 4,598)	(1,273) (JPY 4,598)	Grandson company (Note 5)
Travel Around Investment	Uplan Travel	Taiwan	Travel industry	69,056	69,056	6,056	61	115,422	30,741	18,618	Subsidiary of grandson company (Note 5)
	Xinflight Travel	Taiwan	Travel industry	10,000	10,000	1,000	100	15,530	(59)	(59)	Subsidiary of grandson company (Note 5)
	Fontrip Technology	Taiwan	Information technology industry	39,050	25,000	3,905	39	33,964	(5,340)	(2,210)	Subsidiary of grandson company (Note 5)
Uplan Travel	New Vision	Taiwan	Travel industry	9,975	9,975	1,200	100	4,446	(632)	(632)	Subsidiary of grandson company (Note 5)
LionBobby	LionBobby JPN	Japan	Travel industry	2,033 JPY 7,400	2033 JPY 7,400	0.1	100	2,319	(531) (JPY 1,919)	(531) (JPY 1,919)	Grandson company (Note 5)

(Continued)

Note 1: Foreign subsidiaries of the Group are calculated and disclosed based on the consolidated financial statements.

Note 2: Which is not belongs to Note 1, filled in by the following rules:

a. "Investee", "Location", "Main Business and Product", "Original Investment Amount" and "Shares at the end of the period" should be filled in followed by the Company invest directly or indirectly and noted the relationship between each investee.
b. "Net Income (Loss) of the Investee" column should be filled in each investee net income (loss).
c. "Share of Profit (Loss)" column only needs to be filled in the profits or loss which recognized under equity method in each subsidiary. Net income of the investee were included share of profit or loss in each subsidiary.

Note 3: Information on investments in mainland China, please refer to Table 6.

Note 4: The investee company was merged into the Group.

Note 5: The calculation was based on unreviewed financial statements as of March 31, 2020.

(Concluded)

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2020	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2020	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2(b)3)	Carrying Amount as of March 31, 2020	Accumulated Repatriation of Investment Income as of March 31, 2020	Note
					Outward	Inward							
Lion Fujian	Travel industry	$ 60,460 USD 2,000	The Company reinvested in Mainland China	$ 54,414 USD 1,800	$ - USD -	$ - USD -	$ 54,414 USD 1,800	$ (1,693) (RMB 393)	90	$ (1,523) (RMB 354)	$ 46,808	$ -	
Lion Shanghai	Travel industry	30,230 USD 1,000	Lion HK reinvested in Mainland China	30,230 USD 1,000	- USD -	- USD -	30,230 USD 1,000	1,134 RMB 263	100	1,134 RMB 263	70,157	-	
Lion Beijing	Travel industry	15,115 USD 500	Lion HK reinvested in Mainland China	15,115 USD 500	- USD -	- USD -	15,115 USD 500	(183) (RMB 43)	100	(183) (RMB 43)	1,805	-	
Lion Holding (China)	Management consulting activities	302,300 USD 10,000	Lion Holding reinvested in Mainland China	302,300 USD 10,000	- USD -	- USD -	302,300 USD 10,000	(1,313) (RMB 304)	100	(1,313) (RMB 304)	221,264	-	
Lion Travel Holding	Travel industry	127,740 RMB 30,000	Lion Holding (China) reinvested in Mainland China	127,740 RMB 30,000	- RMB -	- RMB -	127,740 RMB 30,000	(2,812) (RMB 652)	100	(2,812) (RMB 652)	101,312	-	
Skylion Travel	Travel industry	14,903 RMB 3,500	Lion Travel Holding reinvested in Mainland China	9,793 RMB 2,300	- RMB -	- RMB -	9,793 RMB 2,300	(4,102) (RMB 951)	100	(4,102) (RMB 951)	(27,161)	-	

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2020	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$ 408,105 USD 13,500	$ 958,291 (Note 4) USD 31,700	$ 1,226,155

Note 1: Investment is divided into the following three categories:

a. Direct investment in mainland China.
b. Reinvestment in mainland China companies through the third region (please indicate the third area of investment company).
c. Others.

(Continued)

Note 2: The investment gain (loss) recognized in current period:

a. Please specify no investment income (loss) has been recognized due to the investment is still during development stage.
b. The investment gain (loss) was determined based on the following basis:

1) The financial report was reviewed and certified by an international accounting firm in cooperation with a R.O.C. accounting firm.
2) The financial statements reviewed by the CPA of the parent company in Taiwan.
3) Others: The financial statements of Lion Holding (China) were reviewed. The other financial statements of some subsidiaries included in the consolidated financial statements were not reviewed.

Note 3: The table is presented in thousands of New Taiwan dollar.

Note 4: The Investment Commission approved the foreign currency limit of investment. As of the current period, the Group did not exceed the limit.

Note 5: The net income (loss) of the investee was presented at the average exchange rate of the three months ended March 31, 2020; the rest was presented at the exchange rate in March 31, 2020.

Note 6: The investee company was merged into the Group.

(Concluded)

TABLE 7

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(In Thousands of New Taiwan Dollars)

Investee Company	Transaction Type	Purchase/Sales	Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized Gain (Loss)	Note
		Amount		Payment Term	Comparison with Normal Transaction	Ending Balance	%		
Lion Shanghai	Purchase	$ 43,066	Same as those for unrelated parties	Same as those for unrelated parties	Same as those for unrelated parties	$ (2,335)	0.34	$ -	
Lion Beijing	Purchase	2,213	Same as those for unrelated parties	Same as those for unrelated parties	Same as those for unrelated parties	-	-	-	
Skylion Travel	Sales	3,464	Same as those for unrelated parties	Same as those for unrelated parties	Same as those for unrelated parties	-	-	-	
Skylion Travel	Purchase	6,186	Same as those for unrelated parties	Same as those for unrelated parties	Same as those for unrelated parties	(4,141)	0.61	-	

Note: The transactions between the Company and investee companies have been eliminated in the preparation of the consolidated financial statements.

TABLE 8

LION TRAVEL SERVICE CO., LTD. AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS
MARCH 31, 2020

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
WANG, WEN-JEH	12,819	18.31
CHEN, FENG-CHUI	6,326	9.03

Note 1: The information of major shareholders is calculated by the Taiwan Depository & Clearing Corporation ("TDCC") on the last business day of the quarter; the calculation includes the total number of ordinary shares and special shares delivered by the Company and held by the shareholders without physical registration (including treasury shares); the listed shareholders are those with more than 5% holding. The share capital recorded in the Company's consolidated financial report and the actual number of shares delivered without physical registration may be different due to the difference in the basis of calculation.

Note 2: If the shareholder delivered the shares to a trust, the information mentioned above is disclosed by the individual trustor who opened the trust account. As for the shareholder's handling of insider shareholding declarations with more than 10% of the shares in accordance with the Securities Exchange Act, the shareholdings include the shares held plus the shares delivered to the trust with the right to make decisions on the trust property. For information on insider equity declaration, please refer to Market Observation Post System.