

# Star Travel Corporation 2023 Annual General Shareholders' Meeting Minutes

Time: June 15, 2023 (Thursday), 09:00AM

Address: 16F-12, No. 95, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City (the Company's Conference Room) (Physical Shareholders' Meeting)

Attendants: Total shares represented by shareholders presented in person or by proxy were 54,734,752 shares, including 50,087,891 shares exercised via electronic transmission, accounting for 79.62% of the Company's total outstanding shares of 68,742,100 shares.

Chairman: Hou Yu-Lin, the chairperson of the Board of Directors      Recorder: Chiu Yi-Cheng

Directors present: Hou Yu-Lin, the chairperson of the Board of Directors, and Hung Yu-Ting, the independent director

Sit-in Members: Tien Chung-Yu, the CPA of PwC Taiwan, and Hsu Cheng-Kun, the lawyer of Positive Thinking Law Firms

## **One. Commencement of Meeting**

## **Two. Chair Remarks** (Omitted)

## **Three. Report Items**

I. The 2022 business report is submitted for review.

[Explanatory Notes] Business Report, please refer to Attachment I.

II. The Audit Committee's review report on the 2022 financial statements is submitted for review.

[Explanatory Notes] The Audit Committee's Review Report, please refer to Attachment II.

III. The report on the implementation of the sound business plan is submitted for review.

[Explanatory Notes]

(I) Handled per Letter Zheng-Gui-Jian-Zi No. 1110003719 issued by the TPEx on May 12, 2022, and Letter Zheng-Bao-Fa-Zi No. 11100006971 issued by the Securities and Futures Investors Protection Center on March 15, 2022.

(II) For the implementation of the Company's sound business plan, please refer to Attachment III.

IV. The status of the private placement of securities resolved by the 1st special shareholders' meeting in 2022 is submitted for review.

[Explanatory Notes]

(I) The Company's 1st special shareholders' meeting convened on April 13, 2022, resolved on the private placement of ordinary shares in one to three steps within

one year. The total number of shares to be issued shall be no more than 50,000,000 shares, at a par value of NT\$10 per share.

- (II) For the status of the private placement of ordinary shares, please refer to Attachment IV.

V. The report on the distribution of directors' remuneration for 2022 is submitted for review.

[Explanatory Notes]

- (I) The directors' remuneration for 2022 has been approved per the resolution of the Board of Directors on January 11, 2023.
- (II) The Company's directors' remuneration for 2022 totaled NT\$1,542,004.
- (III) For the remuneration received by directors, including the remuneration policy and contents and amount of the remuneration to individual directors, please refer to Attachment V.

VI. The proposal for amendments to certain provision of the Corporate Social Responsibility Best Practice Principles is submitted for review.

[Explanatory Notes]

- (I) In response to amendments to laws and regulations, the Company proposes amendments to certain provisions of the Corporate Social Responsibility Best Practice Principles.
- (II) For the Comparison Table of the Corporate Social Responsibility Best Practice Principles Before and After Amendment, please refer to Attachment VI.

## **Four. Ratification Items**

### **<Proposal 1>**

[Summary] Ratification of the 2022 financial statements. [Proposed by the Board of Directors]

[Explanatory Notes]

- I. The Company's 2022 parent company only financial statements and consolidated financial statements have been audited and certified by Tien Chung-Yu, CPA, and Yeh Fang-Ting, CPA, of PwC Taiwan. Please review accordingly.
- II. Said documents, which have been reviewed by the Audit Committee, together with the business report (Attachment I) are submitted to the shareholders' meeting for ratification.
- III. 2022 Parent Company Only Financial Statements and Consolidated Financial

Statements and Independent Auditor's Report, please refer to Attachment VII.

IV. Please ratify.

**[Resolution]** The voting results were as follows: Votes in favor: 54,371,583 votes (including 50,081,991 votes casted electronically), accounting for 99.336492% of total shares represented at the time of voting. Votes against: 3,402 votes (including 3,402 votes casted electronically), accounting for 0.006215% of total shares represented at the time of voting. Votes abstained: 359,767 votes (including 2,498 votes casted electronically), accounting for 0.657293% of total shares represented at the time of voting. Votes invalid: 0 votes, accounting for 0% of total shares represented at the time of voting. The above proposal was hereby approved as proposed.

## <Discussion 2>

[**Summary**] Ratification of the 2022 loss compensation plan. [Proposed by the Board of Directors]

### [**Explanatory Notes**]

- I. The Company has prepared its 2022 financial statements. The loss after tax for the current year was NT\$44,592 thousand.
- II. For the 2022 loss compensation plan, please refer to Attachment VIII.
- III. Please ratify.

[**Resolution**] The voting results were as follows: Votes in favor: 54,371,583 votes (including 50,081,991 votes casted electronically), accounting for 99.336492% of total shares represented at the time of voting. Votes against: 3,402 votes (including 3,402 votes casted electronically), accounting for 0.006215% of total shares represented at the time of voting. Votes abstained: 359,767 votes (including 2,498 votes casted electronically), accounting for 0.657293% of total shares represented at the time of voting. Votes invalid: 0 votes, accounting for 0% of total shares represented at the time of voting. The above proposal was hereby approved as proposed.

## Five. Discussion Items

### <Proposal 1>

[**Summary**] Amendments to certain provisions of the Articles of Incorporation. [Proposed by the Board of Directors]

### [**Explanatory Notes**]

- I. In response to amendments to laws and regulations, the relocation of the headquarters to 2F, No. 545, Sec. 2, Jiankang Rd., South Dist., Tainan City, and the renaming of the headquarters (branches) to TSG Star Travel Corp., the Company proposes amendments to certain provisions of the Articles of Incorporation.
- II. For the Comparison Table of the Articles of Incorporation Before and After Amendment, please refer to Attachment IX.

[**Resolution**] The voting results were as follows: Votes in favor: 54,373,969 votes (including 50,084,377 votes casted electronically), accounting for 99.340852% of total shares represented at the time of voting. Votes against: 1,016 votes (including 1,016 votes casted electronically), accounting for 0.001856% of total shares represented at the time of voting. Votes abstained: 359,767 votes (including 2,498 votes casted

electronically), accounting for 0.657292% of total shares represented at the time of voting. Votes invalid: 0 votes, accounting for 0% of total shares represented at the time of voting. The above proposal was hereby approved as proposed.

**<Discussion 2>**

**[Summary]** Amendments to certain provisions of the Rules of Procedure for Shareholders' Meetings. [Proposed by the Board of Directors]

**[Explanatory Notes]**

- I. In response to amendments to laws and regulations, the Company proposes amendments to certain provisions of the Rules of Procedure for Shareholders' Meetings.
- II. For the Comparison Table of the Rules of Procedure for Shareholders' Meetings Before and After Amendment, please refer to Attachment X.

**[Resolution]** The voting results were as follows: Votes in favor: 54,373,969 votes (including 50,084,377 votes casted electronically), accounting for 99.340852% of total shares represented at the time of voting. Votes against: 1,016 votes (including 1,016 votes casted electronically), accounting for 0.001856% of total shares represented at the time of voting. Votes abstained: 359,767 votes (including 2,498 votes casted electronically), accounting for 0.657292% of total shares represented at the time of voting. Votes invalid: 0 votes, accounting for 0% of total shares represented at the time of voting. The above proposal was hereby approved as proposed.

## **Six. Election Items**

**<Proposal 1>**

**[Summary]** By-election of independent directors. [Proposed by the Board of Directors]

**[Explanatory Notes]**

- I. In response to the vacancies for two independent directors, the Company plans to conduct a by-election at the annual shareholders' meeting this year.
- II. The new independent directors shall hold a term of office effective from the date of election, June 15, 2023, until November 22, 2025.
- III. The elected independent directors will also succeed to the position of Audit Committee member.
- IV. The Company's election of independent directors adopts the candidate nomination system. For the "Name List of Independent Director Candidates" reviewed and approved by the Board of Directors meeting on May 3, 2023, please refer to

Attachment XI.

**[Results of Election] List of Independent Directors Elected**

<b>Title</b>	<b>Account No. or ID No.</b>	<b>Account Title or Name</b>	<b>Numbers of Votes Received</b>
Independent Director	D1*****25	Hung Jen-Chieh	54,364,824
Independent Director	V1*****98	Chen Hou-Tien	54,360,758

## **Seven. Other Motions**

### **<Proposal 1>**

**[Summary]** Lifting of the non-competition restriction on new independent directors. [Proposed by the Board of Directors]

#### **[Explanatory Notes]**

- I. According to Article 209 of the Company Act, approval for competing with the company by directors must be obtained from the shareholders' meeting. Due to the Company's business needs, the Company proposes to the shareholders' meeting that for newly-elected directors who engage in other conduct that is identical or similar to the scope of the Company's operations, the director (natural person, juristic person or authorized representatives of a company) must seek consent in a shareholders' meeting for themselves or other parties to enable the continuation of such conduct.
- II. The Company plans to ask the shareholders' meeting to approve the lifting of the non-competition restriction on new independent directors. For the companies where they hold concurrent positions and their job titles, please refer to Attachment XII.

**[Resolution]** The voting results were as follows: Votes in favor: 54,371,564 votes (including 50,081,972 votes casted electronically), accounting for 99.336458% of total shares represented at the time of voting. Votes against: 2,412 votes (including 2,412 votes casted electronically), accounting for 0.004406% of total shares represented at the time of voting. Votes abstained: 360,776 votes (including 3,507 votes casted electronically), accounting for 0.659136% of total shares represented at the time of voting. Votes invalid: 0 votes, accounting for 0% of total shares represented at the time of voting. The above proposal was hereby approved as proposed.

**Eight. Extraordinary Motions: None.**

## **Nine. Adjournment**

**The Annual General Meeting minutes only state the key points of the meeting and the results of the resolution. The content of proceedings, procedures, and shareholder comments are subject to the meeting video.**

## Ten. Attachments

### <Attachment I>

#### Star Travel Corp. 2022 Business Report

##### I. 2022 operating results

Although the borders have reopened in Q4 2022, due to the short supply of manpower at home and abroad, the number of travel routes was reduced and airfares have rocketed. The increased operating cost, therefore, affected the Company's profit. In addition, the Company had to build up manpower in response to the reopening of the travel market, so expenses increased as well. The 2022 consolidated operating results of the Company are hereby summarized as follows:

##### (I) Business plan implementation results

The Company's consolidated revenue for 2022 was NT\$81,806 thousand, representing an increase of 146.9% over the NT\$33,132 thousand for 2021 due to the increase in foreign travel brought by the reopening of the country's borders in October 2022.

##### (II) Financial revenue and expenditure and profitability analysis

Expressed in thousands of NTD

Item	2022		2021		Difference in amount	
	Amount	%	Amount	%	Difference in amount	Difference in percentage (%)
Operating revenue	81,806	100.0	33,132	100.0	48,674	146.91
Gross profit	(40)	-0.05	5,183	15.6	(5,223)	-1.01
Operating expenses	73,802	90.2	64,881	195.8	8,921	0.14
Operating loss	(73,842)	-90.3	(59,698)	-180.2	(14,144)	-0.24
Net loss after tax	(44,592)	-54.5	(42,615)	-128.6	(1,977)	-0.05
Net income attributable to owners of the parent	(44,592)	-54.5	(42,615)	-128.6	(1,977)	-0.05
Loss per share after tax (NT\$)	(1.16)	-	(2.35)	-	1.19	0.51



### (III) Financial revenue and expenditure and profitability analysis

Item		2022	2021
Financial structure (%)	Debt to asset ratio (%)	22.47	78.16
	Long-term fund to property, plant and equipment ratio (%)	491.83	160.97
Liquidity analysis (%)	Current ratio (%)	495.85	196.71
	Quick ratio (%)	476.97	169.54
Profitability (%)	Return on assets (%)	(9.45)	(18.4)
	Return on equity (%)	(15.98)	(71.55)
	Net margin (%)	(44.55)	(128.62)

### (IV) Budget and budget implementation

The consolidated operating revenue for 2022 was NT\$81,806 thousand, and the budget NT\$298,062 thousand, an achieving rate of 27%.

## II. 2023 business plan overview

The Company upholds an attitude of steady operation to centralize its salesforce by selecting travel routes with a blue ocean strategy. It also continues to optimize its organization to improve customer satisfaction. The relevant strategic directions are as follows:

- (I) Select the blue ocean travel market, supplemented by the resources of airfares and accommodations, to explore new markets and increase the market share and gross margin. In cooperation with Tigerair Taiwan, the Company has launched flights to Phuket, Thailand, and Kochi, Japan, both of which are emerging markets, not only raising the Company's reputation but also creating differentiation and providing consumers with new travel options.
- (II) Set up stores in six cities across the country to establish a comprehensive sales network, expand corporate customers, and increase direct customer service.
- (III) Continue recruiting talent to enrich the travel routes and cultivate the Company's middle-level staff to optimize the organizational structure.

### **III. Development strategies in the future and the influence of external competition, the legal and regulatory environment, and the macroeconomic situation**

Looking ahead, the global travel market has been seriously impacted by the COVID-19 epidemic. No airline, hotel, or travel product has been spared. At this moment of the reopening of foreign travel, Star Travel will continue to improve organizational efficiency, digitalization, and cost efficiency to prepare for the international travel market. We look forward to steady operations in 2023 and becoming the travel brand of choice for consumers.

**Chairperson: Hou  
Yu-Lin**

**General Manager: Shu  
Chen-Chen**

**Chief Accountant: Wang  
Pin-Ling**

**<Attachment II>**

**Star Travel Corp.  
Audit Committee's Review Report**

The Board of Directors prepared the Company's 2022 annual business report, parent company only and consolidated financial statements and loss compensation plan. Of these, the parent company only and consolidated financial statements have been audited by Tien Chung-Yu, CPA, and Yeh Fang-Ting, CPA, of PwC Taiwan and an audit report has been issued. Said business report, parent company only and consolidated financial statements have been reviewed by the Audit Committee and found to have no inconsistencies. This report is issued in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review accordingly.

Submitted to

Star Travel Corp.

Convener of Audit Committee: Independent Director Wu Tsung-Che

March 21, 2023

## <Attachment III>

### Star Travel Corp.

#### Report on the Implementation of the Sound Business Plan

1. Handled per Letter Zheng-Gui-Jian-Zi No. 1110003719 issued by the TPEx on May 12, 2022, and Letter Zheng-Bao-Fa-Zi No. 11100006971 issued by the Securities and Futures Investors Protection Center on March 15, 2022.
2. The Company's 1st special shareholders' meeting on April 13, 2022, resolved to pass the capital reduction to compensate loss, which was specified as following:
  - (1) Cause of capital reduction: In order to improve the financial structure, capital reduction is carried out to compensate loss.
  - (2) Amount of capital reduction: NT\$153,300,000.
  - (3) Canceled shares: 15,330,000 ordinary shares.
  - (4) Capital reduction ratio: 44.993%.
  - (5) Paid-in capital upon capital reduction: NT\$187,421,000 (18,742,100 ordinary shares).
3. Status of the current capital reduction:
  - (1) The capital reduction project was approved per Letter Zheng-Gui-Jian-Zi No. 1110003719 issued by the TPEx on May 12, 2022.
  - (2) July 29, 2022 was set as the record date for the current capital reduction, approved per Letter Xin-Bei-Fu-Jing-Si-Zi No. 1118039312 issued by the New Taipei City Government on June 13, 2022. The change of company registration has been completed.
4. Implementation of the sound business plan:
  - (1) Per the Company's sound business plan reported to TPEx on April 25, 2022:
    - A. The estimated operating revenue in Q4 of 2022 was NT\$11,250 thousand, while the actual operating revenue was NT\$42,455 thousand.
    - B. The estimated net loss after tax in Q4 of 2022 was NT\$6,541 thousand, while the actual net loss after tax was NT\$13,341 thousand.
    - C. The estimated operating revenue in 2022 was NT\$65,462 thousand, while the actual operating revenue was NT\$81,806 thousand.
    - D. The estimated net loss after tax in 2022 was NT\$18,018 thousand, while the actual net loss after tax was NT\$44,592 thousand.
  - (2) The Company's actual operating results in 2022 were not as good as expected. Nevertheless, since the border policy was lifted on October 13, 2022, the Company has expanded the relevant staff of the product department in response to the lifting to diversify products in line with tourists' needs. We believe that the Company's revenue will grow increasingly.

(3) The Company insists on an attitude upholding innovation and stable management. It continues to improve customers' level of satisfaction, and will also focus product design on the combination of innovative elements, such as developing marine recreational resources, linking with yachts and sailing boats, creating a sea travel experience, combining land traveling plans, focusing on in-depth tourism and connecting with regional revitalization, thereby hoping to increase the overall operating revenue and profit. The Company will also improve the sales models on the free travel products platform, improve the sales performance of the free travel product purchase platform, enhance the diversity of the Company's products, and provide consumers with options for free travel products.

## <Attachment IV>

### Status of the Cash Capital Increase Through the Private Placement of Securities in 2022

Item	1st private placement in 2022		Date of issue: August 8, 2022		
Type of securities in private placement	Ordinary shares				
Date of passage at the shareholders' meeting and amount	April 13, 2022 The total number of shares to be issued shall be no more than 50,000,000 shares, at a par value of NT\$10 per share. The issuance of ordinary shares in private placement is scheduled to be completed in one to three steps within one year as of the date of resolution by the special shareholders' meeting. The total amount of the private placement will be calculated based on the final private placement price and the total number of shares actually issued.				
Basis and reasonableness of the pricing	The average price for 30 business days prior to the pricing date is set as NT\$26.03, namely the reference price. The issue price shall be no lower than 30% of the reference price. Considering that the Company has generated accumulated loss in recent years and the net worth per share was less than the par value, it is reasonable that the private placement price set by the Company pursuant to the existing laws is lower than the par value.				
Method by which the specific persons are selected	The specific persons are determined in accordance with Article 43-6 of the Securities and Exchange Act and Order (2002)-Tai-Cai-Zheng-I No. 0910003455 issued by the Financial Supervisory Commission, Executive Yuan, on June 13, 2002, and it shall be limited to strategic investors.				
Reasons for necessity of the private placement	The Company has suffered losses for two consecutive years. According to Article 270 of the Company Act, the Company is not allowed to engage in the public offering of new shares. Therefore, the Company raises funds from specific persons in private placement in a timely manner, in order to invest the fund as required.				
Number of shares (or number of corporate bonds)	50,000,000 shares				
Date of purchase price payment completion	August 8, 2022				
Information about subscribers	Placees	Qualifications (Note 1)	Quantity of subscription	Relationship with the Company	Participation in the Company's operations
	E-TOP METAL CO., LTD.	Subparagraph 2	47,250,000	None	None
	Taiwan Health & Exercise Investment Co. Ltd.	Subparagraph 2	2,750,000	None	None
Actual subscription (or conversion) price	10				
Difference between actual subscription (or conversion) price and reference price	The average price for 30 business days prior to the pricing date is set as NT\$26.03, namely the reference price. The issue price shall be no lower than 30% of the reference price.				
Effect of the private placement on shareholders' equity	The ordinary shares in private placement are issued at a price lower than the par value. The effect on shareholders' equity is a loss generated from the difference between the actual issue price and par value, which results in an increase in				

(e.g., increase in accumulated loss)	accumulated loss. This will be mitigated gradually subject to the state of the Company's operations, or reduction of capital and earnings to compensate the loss may be adopted as an alternative option.
Utilization of private placement funds and plan execution progress	Increasing the working capital and responding to the needs for the Company's long-term business development will help improve the Company's financial structure and strengthen the flexible adjustment of the funds.
Effect produced by the private placement	The working capital and net worth increased accordingly.

Note 1: Specify whether it is subparagraph 1, 2, or 3 of Article 43-6 of the Securities and Exchange Act.

**<Attachment V>**

## Directors' remuneration for 2022

[illegible]



	Hung Yu-Ting	240	240	-	-	-	-	20	20	(0.58)	(0.58)	-	-	-	-	-	-	-	(0.58)	(0.58)
	Chang Yu-Yao (Note 2)	220	220	-	-	-	-	50	50	(0.61)	(0.61)	-	-	-	-	-	-	-	(0.61)	(0.61)
	Lien Jen-Lung (Note 2)	220	220	-	-	-	-	50	50	(0.61)	(0.61)	-	-	-	-	-	-	-	(0.61)	(0.61)

1. Specify the policy, system, standards, and structure of the remuneration paid to directors, and the relation between the amount of remuneration paid and the directors’ responsibilities, risks assumed, time contributed, and other factors: In accordance with the Articles of Incorporation, the Board of Directors is authorized to determine the remuneration depending on their engagement in the operation and their contributions. The board takes into account their responsibilities, time commitment and level of contribution to reasonably remunerate individual directors.

2. In addition to the information disclosed in the above table, the remuneration received by the Company’s directors in the most recent fiscal year of service (including serving as non-employee consultants of the parent company/all companies included in the financial statements/invested businesses): None.

Remark: Specify the policy, system, standards, and structure of the remuneration paid to directors, and the relation between the amount of remuneration paid and the directors’ responsibilities, risks assumed, time contributed, and other factors: In accordance with the Articles of Incorporation, the Board of Directors is authorized to determine the remuneration depending on their engagement in the operation and the value of their contributions. The board takes into account their responsibilities, time commitment and level of contribution to reasonably remunerate individual directors.

Note 1: Took office at the general re-election of directors on November 23, 2022.

Note 2: Retired at the general re-election of directors on November 23, 2022.

## <Attachment VI>

### Comparison Table of the Corporate Social Responsibility Best Practice Principles Before and After Amendment

Proposed Amended Name	Original Name	Explanation for Amendment
<u>Sustainable Development</u> Best Practice Principles	<u>Corporate Social Responsibility</u> Best Practice Principles	In response to international development trends and to achieve the goal of sustainable development.

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
Article 1	Paragraph 1 is omitted. The Company is advised to promulgate its own <u>sustainable development</u> principles in accordance with the Principles to manage its economic, environmental and social risks and impact.	Paragraph 1 is omitted. The Company is advised to promulgate its own <u>corporate social responsibility</u> principles in accordance with the Principles to manage its economic, environmental and social risks and impact.	In response to the amendment to the name of the Principles
Article 2	Paragraph 1 is omitted. The Principles encourage the Company to actively fulfill <u>sustainable development</u> in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on <u>sustainable development</u> .	Paragraph 1 is omitted. The Principles encourage the Company to actively fulfill <u>corporate social responsibility</u> in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on <u>corporate social responsibility</u> .	In response to the amendment to the name of the Principles
Article 3	In <u>promoting sustainable development initiatives</u> , the Company shall, in its corporate management guidelines and business operations, give due	In <u>fulfilling corporate social responsibility</u> , the Company shall, in its corporate management guidelines and business operations, give due	In response to the amendment to the name

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance. Omitted hereafter.	consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance. Omitted hereafter.	of the Principles
Article 4	To implement <u>sustainable development initiatives</u> , the Company is advised to follow the principles below: Subparagraphs 1 to 3 are omitted. IV. Enhance disclosure of corporate <u>sustainable development</u> information.	To implement <u>corporate social responsibility</u> , the Company is advised to follow the principles below: Subparagraphs 1 to 3 are omitted. IV. Enhance disclosure of corporate <u>social responsibility</u> information.	In response to the amendment to the name of the Principles
Article 5	The Company shall take into consideration the correlation between the development of domestic and international <u>sustainable development</u> issues and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing its policies, systems or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u> programs, which shall be approved by the Board of Directors and then reported to the shareholders' meeting. When a shareholder proposes a motion involving <u>sustainable development</u> , the Company's Board of Directors is advised to review and consider	The Company shall take into consideration the correlation between the development of domestic and international <u>corporate social responsibility</u> issues and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing its policies, systems or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility</u> programs, which shall be approved by the Board of Directors and then reported to the shareholders' meeting. When a shareholder proposes a motion involving <u>corporate social responsibility</u> , the Company's Board	In response to the amendment to the name of the Principles

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	including it in the shareholders' meeting agenda.	of Directors is advised to review and consider including it in the shareholders' meeting agenda.	
Article 7	<p>The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its <u>sustainable development initiatives</u>, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its <u>sustainable development</u> policies.</p> <p>The Board of Directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters, in the Company's <u>furtherance of its sustainable development objectives</u>:</p> <p>I. Identifying the Company's <u>sustainable development</u> mission or vision, and declaring its <u>sustainable development</u> policy, systems or relevant management guidelines;</p> <p>II. Making <u>sustainable development</u> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <u>sustainable development initiatives</u>; and</p> <p>III. Enhancing the timeliness and accuracy of the disclosure of</p>	<p>The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its <u>corporate social responsibility</u>, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its <u>corporate social responsibility</u> policies.</p> <p>The Board of Directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters, in the Company's <u>fulfillment of its corporate social responsibility</u>:</p> <p>I. Identifying the Company's <u>corporate social responsibility</u> mission or vision, and declaring its <u>corporate social responsibility</u> policy, systems or relevant management guidelines;</p> <p>II. Making <u>corporate social responsibility</u> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <u>corporate social responsibility initiatives</u>; and</p>	In response to the amendment to the name of the Principles

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<u>sustainable development</u> information. Omitted hereafter.	III. Enhancing the timeliness and accuracy of the disclosure of <u>corporate social responsibility</u> information. Omitted hereafter.	
Article 8	The Company is advised to, on a regular basis, organize education and training on the promotion of <u>sustainable development initiatives</u> , including the promotion of the matters prescribed in Paragraph 2 of the preceding article.	The Company is advised to, on a regular basis, organize education and training on the fulfillment of <u>corporate social responsibility</u> , including promotion of the matters prescribed in Paragraph 2 of the preceding article.	In response to the amendment to the name of the Principles
Article 9	For the purpose of managing <u>sustainable development initiatives</u> , the Company is advised to <u>create a governance structure for the promotion of sustainable development, and</u> establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <u>sustainable development</u> policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the Board of Directors on a periodic basis. Paragraph 2 is omitted. It is advised that the employee performance evaluation system be combined with <u>sustainable development</u> policies, and that a clear and effective incentive and discipline system be established.	For the purpose of managing sound <u>corporate social responsibility</u> , the Company is advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <u>corporate social responsibility</u> policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the Board of Directors on a periodic basis.  Paragraph 2 is omitted. It is advised that the employee performance evaluation system be combined with <u>corporate social responsibility</u> policies, and that a clear and effective incentive and discipline system be established.	In response to the amendment to the name of the Principles
Article 10	The Company shall, based on respect for the rights and interests of	The Company shall, based on respect for the rights and interests of	In response to the

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company's website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important <u>sustainable development</u> issues which they are concerned about.	stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company's website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important corporate social responsibility issues which they are concerned about.	amendment to the name of the Principles
Article 12	The Company is advised to endeavor to <u>utilize energy</u> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.	The Company is advised to endeavor to utilize <u>various resources</u> more efficiently, <u>and</u> use renewable materials which have a low impact on the environment to improve sustainability of natural resources.	In response to the amendment to the name of the Principles
Article 17	<p>The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt related measures.</p> <p>Paragraph 2 and paragraph 2, subparagraph 1 are omitted.</p> <p>II. Indirect greenhouse gas emissions: emissions resulting from the utilization of energy such as <u>imported</u> electricity, heating, or steam.</p> <p><u>III. Other indirect emissions: emissions resulting from corporate activities that are not indirect emissions from energy, but are from other sources of emissions owned or controlled</u></p>	<p>The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt <u>climate</u>-related measures.</p> <p>Paragraph 2 and paragraph 2, subparagraph 1 are omitted.</p> <p>II. Indirect greenhouse gas emissions: emissions resulting from the <u>generation of externally purchased or acquired</u> electricity, heating, or steam.</p> <p>Omitted hereafter.</p>	<p>In response to the amendment to the name of the Principles</p> <p>In order to achieve the target of GHG emission reduction, the Company is encouraged to disclose the</p>

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<u>by the Company.</u> Omitted hereafter.		information about indirect GHG emissions.
Article 27-1	<u>The Company is advised to, through donation, sponsorship, investment, procurement, strategic cooperation, corporate volunteering technical service or other supporting models, dedicate resources to art and cultural activities or cultural and creative industries to promote cultural development.</u>	Added Article.	In order to encourage the Company to support art and cultural activities and promote the sustainable development of culture.
Article 28	The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and shall fully disclose relevant and reliable information relating to its <u>sustainable development initiatives</u> to improve information transparency. Relevant information relating to <u>sustainable development</u> which the Company shall disclose includes: I. The policy, systems or relevant management guidelines, and concrete promotion plans for <u>sustainable development initiatives</u> ,	The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and shall fully disclose relevant and reliable information relating to its <u>corporate social responsibility</u> to improve information transparency. Relevant information relating to <u>corporate social responsibility</u> which the Company shall disclose includes: I. The policy, systems or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility</u> , as	In response to the amendment to the name of the Principles

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p>as resolved by the Board of Directors.</p> <p>Paragraph 2, subparagraph 2 is omitted.</p> <p>III. Goals and measures for <u>promoting the sustainable development initiatives</u> established by the Company, and performance in implementation.</p> <p>Paragraph 1, subparagraphs 4 and 5 are omitted.</p> <p>VI. Other information relating to <u>sustainable development initiatives</u>.</p>	<p>resolved by the Board of Directors.</p> <p>Paragraph 2, subparagraph 2 is omitted.</p> <p>III. Goals and measures for <u>fulfilling the corporate social responsibility</u> established by the Company, and performance in implementation.</p> <p>Paragraph 1, subparagraphs 4 and 5 are omitted.</p> <p>VI. Other information relating to <u>corporate social responsibility</u>.</p>	
Article 29	<p>The Company shall adopt internationally widely recognized standards or guidelines when producing <u>sustainability</u> reports, to disclose the status of its implementation of the <u>sustainable development</u> policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:</p> <p>I. The policy, system, or relevant management guidelines and concrete promotion plans for implementing <u>sustainable development initiatives</u>.</p> <p>Omitted hereafter.</p>	<p>The Company shall adopt internationally widely recognized standards or guidelines when producing <u>corporate social responsibility</u> reports, to disclose the status of its implementation of the <u>corporate social responsibility</u> policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:</p> <p>I. The policy, system, or relevant management guidelines and concrete promotion plans for implementing <u>corporate social responsibility</u>.</p> <p>Omitted hereafter.</p>	In response to the amendment to the name of the Principles
Article 30	<p>The Company shall at all times monitor the development of domestic and foreign <u>sustainable development</u></p>	<p>The Company shall at all times monitor the development of domestic and foreign <u>corporate social</u></p>	In response to the amendment



Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	standards and the change of business environment so as to examine and improve its established <u>sustainable development</u> framework and to obtain better results from the <u>promotion of the sustainable development</u> .	<u>responsibility</u> standards and the change of business environment so as to examine and improve its established <u>corporate social responsibility</u> framework and to obtain better results from the <u>fulfillment of corporate social responsibility</u> .	to the name of the Principles
Article 31	The Principles shall be enforced upon approval of the Board of Directors, <u>and submitted to a shareholders' meeting</u> . The same shall apply where the Principles are amended.	The Principles shall be enforced upon approval of the Board of Directors. The same shall apply where the Principles are amended.	

## <Attachment VII>

### INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of STAR TRAVEL CORP.

#### ***Opinion***

We have audited the accompanying consolidated balance sheets of STAR TRAVEL CORP. and subsidiaries (the “Group”) as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

#### ***Basis for opinion***

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Key audit matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our

## **Authenticity of the revenue recognition of domestic group tours**

### Description

Refer to Note 4(24) for accounting policy on revenue recognition and Note 6(15) for details of operating revenue.

The Group's operating revenue arise mainly from travel services. For the year ended December 31, 2022, as overseas travel market was affected by the Covid-19 pandemic, revenue from domestic group tours accounted for a large percentage of total revenue. As the revenue is material to the consolidated financial statements, we considered the authenticity of the revenue recognition of domestic group tours as a key audit matter.

### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of and assessed the Group's internal controls over group tours revenue, and tested the effectiveness of related internal control's design and execution.
2. Selected samples from list of completed domestic group tours at the balance sheet date, reviewed the customised travel contracts, orders, receipts and relevant collection vouchers to confirm the authenticity of the revenue recognition of domestic group tours.

### ***Other matter – Prior period financial statements audited by other auditors***

The consolidated financial statements of the Group as of and for the year ended December 31, 2021 were audited by other auditors, whose report dated March 23, 2022 expressed an unmodified opinion on those statements.

### ***Other matter – Parent company only financial reports***

We have audited and expressed an unqualified opinion on the parent company only financial statements of STAR TRAVEL CORP., Ltd. as of and for the years ended December 31, 2022 and 2021.

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

Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the Group's financial reporting process.

### ***Auditors' responsibilities for the audit of the consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

- A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Tien, Chung-Yu

Independent Accountants

Yeh, Fang-Ting

PricewaterhouseCoopers, Taiwan

Republic of China

March 21, 2023

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in jurisdictions other than the Republic of China.

**STAR TRAVEL CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 404,179	62	\$ 51,852	23
1136	Financial assets at amortised cost - current	6(1)(2)	300	-	300	-
1150	Notes receivable, net	6(3) and 7	232	-	-	-
1170	Accounts receivable, net	6(3) and 12	9,736	1	471	-
1180	Accounts receivable, net-related parties	6(3), 7 and 12	768	-	353	-
1200	Other receivables	6(4), 7 and 12	2,677	-	3,078	1
1220	Current income tax assets	6(22)	36	-	28	-
130X	Inventories	6(5)	50	-	308	-
1410	Prepayments	6(6) and 7	16,490	3	8,720	4
1479	Other current assets		-	-	248	-
11XX	Total current assets		434,468	66	65,358	28
Non-current assets						
1535	Financial assets at amortised cost - non-current	6(2) and 8	89,400	14	32,600	14
1600	Property, plant and equipment	6(7) and 8	121,062	19	122,340	53
1780	Intangible assets		-	-	138	-
1840	Deferred income tax assets	6(22)	519	-	579	1
1915	Prepayments for equipment		13	-	-	-
1920	Guarantee deposits paid		9,468	1	9,141	4
15XX	Total non-current assets		220,462	34	164,798	72

STAR TRAVEL CORP. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Contract liabilities - current	6(15)	\$ 19,648	3	\$ 9,956	4
2150	Notes payable		727	-	-	-
2170	Accounts payable	7	14,326	2	5,685	3
2200	Other payables	6(8) and 7	13,924	2	12,513	5
2320	Long-term liabilities, current portion	6(9) and 8	4,360	1	4,330	2
2399	Other current liabilities		6,528	1	740	-
21XX	Total current liabilities		59,513	9	33,224	14
Non-current liabilities						
2540	Long-term borrowings	6(9) and 8	87,298	13	146,316	64
2645	Guarantee deposits received		323	-	368	-
25XX	Total non-current liabilities		87,621	13	146,684	64
2XXX	Total liabilities		147,134	22	179,908	78
Equity attributable to owners of parent						
Share capital						
3110	Common stock	6(11)	687,421	105	340,721	148
3200	Capital surplus	6(12)(13)	2,162	1	22	-
	Accumulated deficit	6(11)(14)				
3350	Accumulated deficit		( 181,787)	( 28)	( 290,495)	( 126)
3XXX	Total equity		507,796	78	50,248	22

Significant contingent liabilities and 9



**STAR TRAVEL CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(Expressed in thousands of New Taiwan dollars, except for loss per share amount)

			Year ended December 31			
			2022		2021	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(15) and 7		\$ 81,806	100	\$ 33,132	100
5000 Operating costs	6(5)(20)(21) and 7		( 81,846)	( 100)	( 27,949)	( 84)
5900 Gross loss (profit)			( 40)	-	5,183	16
Operating expenses	6(10)(13)(20)(21) and 7					
6100 Selling expenses			( 32,407)	( 40)	( 26,270)	( 79)
6200 General and administrative expenses			( 41,425)	( 51)	( 38,611)	( 117)
6450 Expected credit gains	12		30	-	-	-
6000 Total operating expenses			( 73,802)	( 91)	( 64,881)	( 196)
6900 Operating loss			( 73,842)	( 91)	( 59,698)	( 180)
Non-operating income and expenses						
7100 Interest income	6(2)(16)		1,163	1	190	-
7010 Other income	6(17) and 7		30,709	38	19,590	59
7020 Other gains and losses	6(18)		233	-	( 626)	( 2)
7050 Finance costs	6(19)		( 2,789)	( 3)	( 2,109)	( 6)
7000 Total non-operating income and expenses			29,316	36	17,045	51
7900 Loss before income tax			( 44,526)	( 55)	( 42,653)	( 129)
7950 Income tax (expense) benefit	6(22)		( 66)	-	38	-
8200 Loss for the year			( \$ 44,592)	( 55)	( \$ 42,615)	( 129)
8500 Total comprehensive loss for the year			( \$ 44,592)	( 55)	( \$ 42,615)	( 129)
Loss attributable to:						
8610 Owners of the parent			( \$ 44,592)	( 55)	( \$ 42,615)	( 129)
Comprehensive loss attributable to:						
8710 Owners of the parent			( \$ 44,592)	( 55)	( \$ 42,615)	( 129)

STAR TRAVEL CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

		Equity attributable to owners of the parent			
			Total capital surplus, additional paid-in capital	Total unappropriated retained earnings (accumulated deficit)	
	Notes	Share capital - common stock			Total equity
<u>For the year ended December 31, 2021</u>					
Balance at January 1, 2021		\$ 310,721	\$ 22	(\$ 241,880)	\$ 68,863
Loss for the year		-	-	( 42,615)	( 42,615)
Total comprehensive loss		-	-	( 42,615)	( 42,615)
Issuance of common stock from private placement	6(11)	30,000	-	( 6,000)	24,000
Balance at December 31, 2021		\$ 340,721	\$ 22	(\$ 290,495)	\$ 50,248
<u>For the year ended December 31, 2022</u>					
Balance at January 1, 2022		\$ 340,721	\$ 22	(\$ 290,495)	\$ 50,248
Loss for the year		-	-	( 44,592)	( 44,592)
Total comprehensive loss		-	-	( 44,592)	( 44,592)
Capital reduction to offset against accumulated deficit	6(11)	( 153,300)	-	153,300	-
Issuance of common stock from private placement	6(11)	500,000	-	-	500,000
Compensation cost recognised from employee stock options	6(12)(13)	-	2,090	-	2,090
Issuance of fractional shares from capital reduction	6(12)	-	9	-	9
Exercise of right of disgorgement	6(12)	-	41	-	41
Balance at December 31, 2022		\$ 687,421	\$ 2,162	(\$ 181,787)	\$ 507,796

**STAR TRAVEL CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(Expressed in thousands of New Taiwan dollars)

		For the year ended December 31	
	Notes	2022	2021
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Loss before tax		( \$ 44,526 )	( \$ 42,653 )
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit gains	12	( 30 )	-
Reversal of inventory market price decline	6(5)	( 8 )	-
Gain on disposal of property, plant and equipment	6(18)	-	( 23 )
Depreciation	6(7)(20)	3,092	4,791
Amortisation	6(20)	138	399
Compensation cost recognised from employee stock options	6(13)	2,090	-
Interest income	6(16)	( 1,163 )	( 190 )
Interest expense	6(19)	2,789	2,109
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		( 232 )	347
Accounts receivable		( 9,265 )	492
Accounts receivable - related parties		( 415 )	( 213 )
Other receivables		666	2,353
Inventories		266	( 308 )
Prepayments		( 7,770 )	( 2,780 )
Other current assets		248	209
Changes in operating liabilities			
Contract liabilities - current		9,692	3,796
Notes payable		727	-
Accounts payable		8,641	( 2,476 )
Other payables		1,664	282
Other current liabilities		5,788	( 256 )
Other non-current liabilities		-	348
Cash outflow generated from operations		( 27,608 )	( 33,773 )
Interest received		928	189
Interest paid		( 2,890 )	( 2,044 )
Income tax refund		20	283
Income tax paid		( 34 )	-
Net cash flows used in operating activities		( 29,584 )	( 35,345 )
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Increase in financial assets at amortised cost - current		-	( 13,300 )
(Increase) decrease in financial assets at amortised cost - non-current		( 56,800 )	14,720
Cash paid for acquisition of property, plant and equipment	6(24)	( 1,966 )	-
Proceeds from disposal of property, plant and equipment		-	140
Increase in prepayments for equipment		( 13 )	-
(Increase) decrease in guarantee deposits paid		( 327 )	2
Net cash flows (used in) from investing activities		( 59,106 )	1,562
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Increase in long-term borrowings	6(25)	22,469	33,264
Repayments of long-term borrowings	6(25)	( 81,457 )	( 968 )
Decrease in guarantee deposits received	6(25)	( 45 )	( 50 )
Issuance of common stock from private placement	6(11)	500,000	24,000
Issuance of fractional shares from capital reduction	6(12)	9	-
Exercise of right of disgorgement	6(12)	41	-
Net cash flows from financing activities		441,017	56,246
Net increase in cash and cash equivalents		352,327	22,463
Cash and cash equivalents at beginning of year	6(1)	51,852	29,389

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of STAR TRAVEL CORP.

### ***Opinion***

We have audited the accompanying parent company only balance sheets of STAR TRAVEL CORP. (the "Company") as of December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### ***Basis for opinion***

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming

## **Authenticity of the revenue recognition of domestic group tours**

### Description

Refer to Note 4(24) for accounting policy on revenue recognition and Note 6(16) for details of operating revenue.

The Company's operating revenue arise mainly from travel services. For the year ended December 31, 2022, as overseas travel market was affected by the Covid-19 pandemic, revenue from domestic group tours accounted for a large percentage of total revenue. As the revenue is material to the parent company only financial statements, we considered the authenticity of the revenue recognition of domestic group tours as a key audit matter.

### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of and assessed the Company's internal controls over group tours revenue, and tested the effectiveness of related internal control's design and execution.
2. Selected samples from list of completed domestic group tours at the balance sheet date, reviewed the customised travel contracts, orders, receipts and relevant collection vouchers to confirm the authenticity of the revenue recognition of domestic group tours.

## ***Other matter –Prior period financial statements audited by other auditors***

The parent company only financial statements of the Company as of and for the year ended December 31, 2021 were audited by other auditors, whose report dated March 23, 2022 expressed an unmodified opinion on those statements.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement,

Those charged with governance, including audit committee, are responsible for overseeing the Company's financial reporting process.

***Auditors' responsibilities for the audit of the parent company only financial statements***

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Tien, Chung-Yu

Independent Accountants

Yeh, Fang-Ting

PricewaterhouseCoopers, Taiwan

Republic of China

March 21, 2023

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The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The accompanying parent company only financial statements are not intended to be used for any purpose other than the presentation of the parent company only financial statements.

STAR TRAVEL CORP.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 394,305	60	\$ 41,189	18
1136	Financial assets at amortised cost - current	6(1)(2)	300	-	300	-
1150	Notes receivable, net	6(3) and 7	232	-	-	-
1170	Accounts receivable, net	6(3) and 12	9,736	2	471	-
1180	Accounts receivable, net - related parties	6(3), 7 and 12	768	-	440	-
1200	Other receivables	6(4) and 12	2,053	-	430	-
1210	Other receivables - related parties	6(4) and 7	6,513	1	5,439	3
1220	Current income tax assets	6(23)	33	-	28	-
1410	Prepayments	6(6) and 7	16,317	3	8,784	4
11XX	Total current assets		430,257	66	57,081	25
Non-current assets						
1535	Financial assets at amortised cost - non-current	6(2) and 8	89,400	14	32,600	15
1550	Investments accounted for under equity method	6(7)	3,885	1	4,996	2
1600	Property, plant and equipment	6(8) and 8	121,062	18	122,340	54
1780	Intangible assets		-	-	138	-
1840	Deferred income tax assets	6(23)	519	-	579	-
1915	Prepayments for equipment		13	-	-	-
1920	Guarantee deposits paid		9,146	1	8,718	4



STAR TRAVEL CORP.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
<b>Current liabilities</b>						
2130	Contract liabilities - current	6(16)	\$ 19,452	3	\$ 9,784	4
2150	Notes payable		8	-	-	-
2170	Accounts payable		13,909	2	5,094	2
2180	Accounts payable - related parties	7	1,303	-	94	-
2200	Other payables	6(9)	13,629	2	9,873	5
2320	Long-term liabilities, current portion	6(10) and 8	4,360	1	4,330	2
2399	Other current liabilities		6,527	1	713	-
21XX	<b>Total current liabilities</b>		59,188	9	29,888	13
<b>Non-current liabilities</b>						
2540	Long-term borrowings	6(10) and 8	87,298	13	146,316	65
25XX	<b>Total non-current liabilities</b>		87,298	13	146,316	65
2XXX	<b>Total liabilities</b>		146,486	22	176,204	78
<b>Equity</b>						
Share capital						
3110	Ordinary share	6(12)	687,421	105	340,721	150
3200	Capital surplus	6(13)(14)	2,162	1	22	-
Accumulated deficit						
3350	Accumulated deficit	6(12)(15)	(181,787)	(28)	(290,495)	(128)
3XXX	<b>Total Equity</b>		507,796	78	50,248	22
Significant Contingent Liabilities and		9				
Unrecognised Contract Commitments						

**STAR TRAVEL CORP.**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Year ended December 31			
			2022		2021	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(16) and 7		\$ 78,854	100	\$ 33,258	100
5000 Operating costs	6(5)(21)(22) and 7		( 63,499)	( 81)	( 28,064)	( 84)
5900 Gross profit			15,355	19	5,194	16
5910 Unrealised loss from sales, net	6(7)		( 2)	-	( 2)	-
5950 Gross profit, net			15,353	19	5,192	16
Operating expenses	6(11)(14)(21)(22) and 7					
6100 Selling expenses			( 32,363)	( 41)	( 26,213)	( 79)
6200 General and administrative expenses			( 39,352)	( 50)	( 37,955)	( 114)
6450 Expected credit gains	12		30	-	-	-
6000 Total operating expenses			( 71,685)	( 91)	( 64,168)	( 193)
6900 Operating loss			( 56,332)	( 72)	( 58,976)	( 177)
Non-operating income and expenses						
7100 Interest income	6(2)(17)		1,153	2	189	1
7010 Other income	6(18) and 7		26,196	33	18,730	56
7020 Other gains and losses	6(19)		349	-	( 619)	( 2)
7050 Finance costs	6(20)		( 2,789)	( 3)	( 2,109)	( 6)
7070 Share of (loss) income of subsidiaries, associates and joint ventures accounted for under equity method	6(7)		( 13,109)	( 17)	132	-
7000 Total non-operating income and expenses			11,800	15	16,323	49
7900 Loss before income tax			( 44,532)	( 57)	( 42,653)	( 128)
7950 Income tax (expense) benefit	6(23)		( 60)	-	38	-
8200 Loss for the year			( \$ 44,592)	( 57)	( \$ 42,615)	( 128)

STAR TRAVEL CORP.  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Share capital - common on stock	Capital surplus	Accumulated deficit	Total equity
<u>For the year ended December 31, 2021</u>					
Balance at January 1, 2021		\$ 310,721	\$ 22	(\$ 241,880)	\$ 68,863
Loss for the year		-	-	( 42,615)	( 42,615)
Total comprehensive loss		-	-	( 42,615)	( 42,615)
Issuance of common stock from private placement	6(12)	30,000	-	( 6,000)	24,000
Balance at December 31, 2021		<u>\$ 340,721</u>	<u>\$ 22</u>	<u>(\$ 290,495)</u>	<u>\$ 50,248</u>
<u>For the year ended December 31, 2022</u>					
Balance at January 1, 2022		\$ 340,721	\$ 22	(\$ 290,495)	\$ 50,248
Loss for the year		-	-	( 44,592)	( 44,592)
Total comprehensive loss		-	-	( 44,592)	( 44,592)
Capital reduction to offset accumulated deficit	6(12)	( 153,300)	-	153,300	-
Issuance of common stock from private placement	6(12)	500,000	-	-	500,000
Compensation cost recognised from employee stock options	6(13)(14)	-	2,090	-	2,090
Issuance of fractional shares from capital reduction	6(13)	-	9	-	9
Exercise the right of disgorgement	6(13)	-	41	-	41
Balance at December 31, 2022		<u>\$ 687,421</u>	<u>\$ 2,162</u>	<u>(\$ 181,787)</u>	<u>\$ 507,796</u>

STAR TRAVEL CORP.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

		For the year ended December 31	
	Notes	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before tax		( \$ 44,532 )	( \$ 42,653 )
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit gains	12	( 30 )	-
Reversal of inventory market price decline	6(5)	( 8 )	-
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for under equity method	6(7)	13,109	( 132 )
Unrealised profit from operating sales	6(7)	2	2
Gain on disposal of property, plant and equipment	6(19)	-	( 23 )
Depreciation	6(8)(21)	3,092	4,791
Amortisation	6(21)	138	399
Compensation cost recognised from employee stock options	6(13)(14)	2,090	-
Interest income	6(17)	( 1,153 )	( 189 )
Interest expense	6(20)	2,789	2,109
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		( 232 )	347
Accounts receivable		( 9,265 )	492
Accounts receivable - related parties		( 328 )	( 300 )
Other receivables		( 1,358 )	4,990
Other receivables - related parties		( 1,074 )	( 5,429 )
Inventories		8	-
Prepayments		( 7,533 )	( 2,667 )
Other current assets		-	203
Changes in operating liabilities			
Contract liabilities - current		9,668	3,624
Notes payable		8	-
Accounts payable		8,815	( 2,844 )
Accounts payable - related parties		1,209	( 129 )
Other payables		4,009	( 2,343 )
Other current liabilities		5,814	( 102 )
Other non-current liabilities		-	( 20 )
Cash outflow generated from operations		( 14,762 )	( 39,874 )
Interest received		918	189
Interest paid		( 2,890 )	( 2,044 )
Income tax refund		-	283
Income tax paid		( 5 )	-
Net cash flows used in operating activities		( 16,739 )	( 41,446 )
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets at amortised cost - current		-	( 13,300 )
(Increase) decrease in financial assets at amortised cost - non-current		( 56,800 )	14,720
Acquisition of investments accounted for under equity method	6(7)	( 12,000 )	( 4,500 )
Cash paid for acquisition of property, plant and equipment	6(25)	( 1,966 )	-
Proceeds from disposals of property, plant and equipment		-	140
Increase in prepayments for equipment		( 13 )	-
(Increase) decrease in guarantee deposits paid		( 428 )	425
Net cash flows used in investing activities		( 71,207 )	( 2,515 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in long-term borrowings	6(26)	22,469	33,264
Repayments of long-term borrowings	6(26)	( 81,457 )	( 968 )
Decrease in guarantee deposits received	6(26)	-	( 50 )
Issuance of common stock from private placement	6(12)	500,000	24,000

**<Attachment VIII>                      Star Travel Corp.  
2022 Loss Compensation Plan**

Expressed in thousands of NTD

Item	Amount
Beginning loss to be compensated	(290,495)
Capital reduction to compensate loss	153,300
Loss after tax	(44,592)
Ending loss to be compensated	(181,787)

Chairperson: Hou Yu-Lin                      General Manager: Shu Chen-Chen      Chief Accountant: Wang Pin-Ling

## <Attachment IX>

### Comparison Table of the Articles of Incorporation Before and After Amendment

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
Article 1	The Company shall be incorporated in accordance with the regulations of the Company Act, and its name shall be in the Chinese language, and “ <u>TSG</u> Star Travel Corp.” in the English language.	The Company shall be incorporated in accordance with the regulations of the Company Act, and its name shall be in the Chinese language, and “Star Travel Corp.” in the English language.	Renamed the headquarters.
Article 3	The Company’s headquarters shall be established in <u>Tainan</u> City. If the Company considers it necessary, it may set up branches or offices in Taiwan or abroad by a resolution adopted by the Board of Directors.	The Company’s headquarters shall be established in <u>New Taipei</u> City. If the Company considers it necessary, it may set up branches or offices in Taiwan or abroad by a resolution adopted by the Board of Directors.	Relocated the headquarters

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
Article 10	<p>Shareholders' meetings comprise regular shareholders' meetings and special shareholders' meetings. A regular shareholders' meeting is to be held at least once a year and convened by the Board of Directors within six months after the end of the fiscal year. The special shareholders' meeting must be convened where necessary in accordance with the law.</p> <p><u>The shareholders' meeting of the Company may be held in the form of a virtual meeting or other methods announced by the central competent authority.</u></p>	<p>Shareholders' meetings comprise regular shareholders' meetings and special shareholders' meetings. A regular shareholders' meeting is to be held at least once a year and convened by the Board of Directors within six months after the end of the fiscal year. The special shareholders' meeting must be convened where necessary in accordance with the law.</p>	<p>In order to comply with the policy of virtual shareholders' meetings promoted by the competent authority, and to meet the needs of the digital era, a convenient channel for shareholders to participate in shareholders' meetings is provided.</p>
Article 25	<p>The Articles of Incorporation were established on February 12, 2003. The first to fifteenth amendments are omitted.</p> <p><u>The sixteenth amendment was made on June 15, 2023.</u></p>	<p>The Articles of Incorporation were established on February 12, 2003. The first to fifteenth amendments are omitted.</p>	<p>Added the date of amendment.</p>

## <Attachment X>

### Comparison Table of the Rules of Procedure for Shareholders' Meetings Before and After Amendment

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
Article 3	<p>Paragraph 1 is omitted.</p> <p><u>Any change in the manner of holding a shareholders' meeting must be resolved by the Board of Directors and the change is only admissible before the meeting notices are sent out at the latest.</u></p> <p>The Company must prepare an electronic file that contains the meeting notice, proxy form, summaries and explanations of agenda items to be ratified or discussed and on elections or dismissals of directors, and post it on the Market Observation Post System (MOPS) at least 30 days before an annual general shareholders' meeting or 15 days before a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS at least 21 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. Physical copies of the shareholders' meeting handbook and supplemental meeting materials must be prepared at least 15 days before the meeting and made accessible to shareholders for viewing. These documents must also be placed within the Company's</p>	<p>Paragraph 1 is omitted.</p> <p>The Company must prepare an electronic file that contains the meeting notice, proxy form, summaries and explanations of agenda items to be ratified or discussed and on elections or dismissals of directors, and post it on the Market Observation Post System (MOPS) at least 30 days before an annual general shareholders' meeting or 15 days before a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS at least 21 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. Physical copies of</p>	<p>In order to comply with the policy of virtual shareholders' meetings promoted by the competent authority, and to meet the needs of the digital era, a convenient channel for shareholders to participate in shareholders' meetings is provided.</p>



Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p>premises and at the stock transfer agent engaged by the Company.</p> <p><u>The Company must provide shareholders with the meeting agenda and supplemental information in the preceding paragraph for reference on the day of the meeting and by the following means:</u></p> <p>I. <u>Distributed at the venue of the meeting for a physical shareholders' meeting.</u></p> <p>II. <u>Distributed at the venue of the meeting for a physical shareholders' meeting, and transmitted to the video conference platform in the form of an electronic file for a physical shareholders' meeting with the assistance of a video conference.</u></p> <p>III. <u>Transmitted to the video conference platform in the form of an electronic file for video shareholders' meeting.</u></p> <p>Omitted hereafter.</p>	<p>the shareholders' meeting handbook and supplemental meeting materials must be prepared at least 15 days before the meeting and made accessible to shareholders for viewing. These documents must also be placed within the Company's premises and at the stock transfer agent engaged by the Company, <u>and they shall be distributed on-site at the meeting.</u></p> <p>Omitted hereafter.</p>	
Article 4	<p>Paragraphs 1 to 3 are omitted.</p> <p><u>Should the shareholder decide to attend a shareholders' meeting by video conference, a written notice must be sent to the Company no later than two days before the meeting</u></p>	<p>Paragraphs 1 to 3 are omitted.</p>	<p>In order to comply with the policy of virtual shareholders' meetings, regulations related to proxy forms are added.</p>

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<u>commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, vote of the proxy attendant must prevail.</u>		
Article 5	<u>Principles determining the time and place of a shareholders' meeting</u> Paragraph 1 is omitted. <u>There are no restrictions on the meeting venue as prescribed in the preceding paragraph when the Company holds a video shareholders' meeting.</u>	Paragraph 1 is omitted.	Added the subject of the article. Specified that there are no restrictions on the meeting venue when the Company holds a virtual shareholders' meeting.
Article 6	<u>Preparation of documents such as the attendance book</u> The Company shall specify in its shareholders' meeting notice the time during which attendance registrations for shareholders, <u>solicitors, and proxies (collectively, "shareholders")</u> will be accepted, the place to register for attendance, and other matters for attention. Admission of meeting participants must begin at least 30 minutes before the meeting commences. The reception area must be clearly labeled and stationed with competent personnel. <u>Check-in for the virtual shareholders' meeting must be accepted at the shareholders' meeting video conference platform at least 30 minutes before the meeting starts.</u> <u>Shareholders who have checked in are deemed to be present in person at</u>	The Company shall specify in its shareholders' meeting notice the time during which attendance registrations for shareholders will be accepted, the place to register for attendance, and other matters for attention.  Admission of meeting participants must begin at least 30 minutes before the meeting commences. The reception area must be clearly labeled and stationed with competent personnel.  <u>Shareholders or proxies</u>	Added the subject of the article. Specified regulations regarding the time and procedures for shareholders registrations to attend a virtual shareholders' meeting.

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>the shareholders' meeting.</u></p> <p>Shareholders may attend shareholders' meetings by presenting a valid conference pass, attendance card or other document of similar nature. The Company cannot request shareholders to present additional documentary proof unless specified in advance. Proxy form holders are required to bring identity proof for verification.</p> <p>Paragraphs 4 to 6 are omitted.</p> <p><u>Shareholders who intend to attend a video shareholders' meeting must register with the Company 2 days prior to the date of meeting.</u></p> <p><u>For a video shareholders' meeting, the Company must, at least 30 minutes before the start of the meeting, upload the meeting agenda, annual report, and other relevant information to the video conference platform and keep them posted until the end of the meeting.</u></p>	<p><u>appointed by the</u></p> <p><u>shareholders (collectively,</u></p> <p><u>"shareholders")</u> may attend shareholders' meetings by presenting a valid conference pass, attendance card or other document of similar nature. The Company may not request shareholders to present additional documentary proof unless specified in advance. Proxy form holders are required to bring identity proof for verification.</p> <p>Paragraphs 4 to 6 are omitted.</p>	
Article 6-1	<p><u>Items to be included in the meeting notice for convening virtual shareholders' meetings</u></p> <p><u>When convening a video shareholders' meeting, the Company must specify the following items in the notice of meeting.</u></p> <p><u>I. The ways for shareholders to participate in a video meeting and exercise their rights.</u></p>	Added the article.	In order to let shareholders understand their rights and limitations related to attending shareholders' meetings, it is specified that the shareholders' meeting notice shall include the ways for shareholders to participate in virtual meeting and exercise their rights, and

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>II. Countermeasures for the event that the video conferencing platform or video participation is impeded due to natural disasters, events, or other force majeure circumstances, including at least the following:</u></p> <p><u>(I) If the occurrence of the aforementioned circumstances continues to be unresolvable, the time of the postponed or resumed meeting, and the date of the postponed or resumed meeting.</u></p> <p><u>(II) Shareholders who have not registered to participate in the affected shareholders' meeting online may not attend the postponed or resumed meeting.</u></p> <p><u>(III) When convening a physical shareholders' meeting with the assistance of a video conference, if the video conference cannot be resumed, and the total number of shares present, after deducting the number of shares present by means of video participation, still reaches the quorum for the shareholders' meeting, the shareholders' meeting must</u></p>		<p>countermeasures for the event that the video conference platform or video participation is impeded due to natural disasters, events, or other force majeure circumstances.</p>

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>continue. The shares represented by shareholders attending the meeting through video conference must be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders are deemed abstaining from voting on all proposals on the meeting agenda of that shareholders' meeting.</u></p> <p><u>(IV) When the results of all motions have been announced, and extraordinary motions have not yet been proceeded with, the way matters are handled.</u></p> <p><u>III. When convening a virtual shareholders' meeting, the appropriate alternative measures for shareholders with difficulties in participating in the shareholders' meeting by video must also be specified.</u></p>		
Article 7	<u>The chair and non-voting participants of a shareholders' meeting</u>		Added the subject of the article.
Article 8	<u>Documentation of a shareholders' meeting by audio or video</u> Paragraphs 1 and 2 are omitted. <u>When convening a video</u>	Paragraphs 1 and 2 are omitted.	Added the subject of the article.  Specified regulations regarding the documentation

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>shareholders' meeting, the Company must keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph must be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording must be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p> <p><u>In case of a virtual shareholders' meeting, the Company is advised to make audio and video recordings of the back-end operation interface of the video conference platform.</u></p>		<p>of virtual shareholders' meetings by audio or video.</p>
Article 9	<p>Shareholders' presence is determined by the number of shares represented in a meeting. The number of shares represented by shareholders present at the meeting is calculated based on attendance log records or the attendance cards collected <u>and the shares checked in on the video conference platform</u>, plus the number of shares that have voting rights exercised in writing or through electronic means.</p>	<p>Shareholders' presence is determined by the number of shares represented in a meeting. The number of shares represented by shareholders present at the meeting is calculated based on attendance log records or the attendance cards collected, plus the number of shares that have voting rights exercised in writing</p>	<p>Added relevant regulations to accommodate virtual shareholders' meetings.</p>

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p>Paragraph 2 is omitted.</p> <p>However, if current attendance represents less than half of the Company's outstanding shares, the chair may announce to postpone the meeting up to two times, for a period totaling no more than one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chair must declare the meeting adjourned. <u>In the event of a virtual shareholders' meeting, the Company must also declare the meeting adjourned on the virtual meeting platform.</u></p> <p>If the attending shareholders still represent more than one-third but less than half of the outstanding shares after two postponements, the attending shareholders may reach a tentative resolution according to Article 175, paragraph 1 of the Company Act. This tentative resolution must then be communicated to every shareholder and another shareholders' meeting must be held within one month. <u>In the</u></p>	<p>or through electronic means.</p> <p>Paragraph 2 is omitted.</p> <p>However, if current attendance represents less than half of the Company's outstanding shares, the chair may announce to postpone the meeting up to two times, for a period totaling no more than one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chair must declare the meeting adjourned.</p> <p>If the attending shareholders still represent more than one-third but less than half of the outstanding shares after two postponements, the attending shareholders may reach a tentative resolution according to Article 175, paragraph 1 of the Company Act. This tentative resolution must then be communicated to</p>	

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<u>event of a virtual shareholders' meeting, shareholders who want to attend the meeting through video conference have to re-register with the Company in accordance with Article 6.</u>  Paragraph 5 is omitted.	every shareholder and another shareholders' meeting must be held within one month.  Paragraph 5 is omitted.	
Article 11	<u>Shareholders' speeches</u> Paragraphs 1 to 6 are omitted. <u>When convening a video shareholders' meeting, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declares the meeting adjourned. No more than two questions for the same proposal may be raised. Each question must contain no more than 200 words. The regulations in Paragraphs 1 to 5 do not apply.</u> <u>As long as questions raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public on the virtual meeting platform.</u>	Paragraphs 1 to 6 are omitted.	Added the subject of the article.  Added relevant regulations to accommodate virtual shareholders' meetings.
Article 12	<u>Calculation of voting shares and recusal system</u>		Added the subject of the article.
Article 13	Paragraphs 1 to 3 are omitted. Shareholders who wish to attend the shareholders' meeting in person <u>or</u>	Paragraphs 1 to 3 are omitted. Shareholders who wish to	Added relevant regulations to accommodate virtual shareholders' meetings.



Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>through video conference</u> after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place no later than two days before the day of shareholders' meeting. If it is not withdrawn before the cutoff time, the written or electronic vote prevails. If a shareholder votes in exercises their voting rights in writing or through electronic means and at the same time delegates a proxy to attend shareholders' meeting, the voting decision exercised by the proxy must prevail.</p> <p>Paragraphs 5 to 8 are omitted.</p> <p><u>When the Company convenes an online shareholders' meeting by video, after the chair declares the meeting open, shareholders attending the meeting through video conference must cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</u></p> <p><u>In the event of an online shareholders meeting, votes must be counted at once after the chair announces the voting session has ended. The results of votes and elections must be announced immediately.</u></p> <p><u>When the Company convenes a</u></p>	<p>attend the shareholders' meeting in person after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place no later than two days before the day of shareholders' meeting. If it is not withdrawn before the cutoff time, the written or electronic vote prevails. If a shareholder votes in exercises their voting rights in writing or through electronic means and at the same time delegates a proxy to attend shareholders' meeting, the voting decision exercised by the proxy must prevail.</p> <p>Paragraphs 5 to 8 are omitted.</p>	

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>physical shareholders' meeting with the assistance of a video conference, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they must revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting through video conference, except for extraordinary motions, they will not exercise their voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
Article 15	<p>Paragraphs 1 to 3 are omitted.</p> <p><u>Where convening a video shareholders' meeting, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the</u></p>	Paragraphs 1 to 3 are omitted.	Added relevant regulations to accommodate virtual shareholders' meetings.

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>event of disruption to the video conference platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with must also be included in the minutes.</u></p> <p><u>When convening a video shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company must specify in the meeting minutes alternative measures available to shareholders with difficulties in participating in shareholders' meetings by video.</u></p>		
Article 16	<p><u>Public disclosure</u></p> <p>On the day of a shareholders' meeting, the Company must compile a statistical statement in the prescribed format of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies <u>and the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u>, and must make an express disclosure of the same at the place of the shareholders' meeting. <u>In the event a virtual shareholders' meeting, the Company must upload the above information to the video conference platform at least 30 minutes before the meeting starts, and keep this</u></p>	<p>On the day of a shareholders' meeting, the Company must compile a statistical statement in the prescribed format of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and must make an express disclosure of the same at the place of the shareholders' meeting.</p>	<p>Added the subject of the article.</p> <p>Added relevant regulations to accommodate virtual shareholders' meetings.</p>

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>information disclosed until the end of the meeting.</u></p> <p><u>During the Company's online shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting must be disclosed on the virtual meeting platform. The same must apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p>If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taipei Exchange regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	<p>If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under <u>Taiwan Stock Exchange Corporation</u> (Taipei Exchange) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	
Article 17	<u>Maintaining order at the meeting place</u>		Added the subject of the article.
Article 18	<u>Recess and resumption of a shareholders' meeting</u>		Added the subject of the article.
Article 19	<p><u>Disclosure of information at virtual meetings</u></p> <p><u>In the event of a video shareholders'</u></p>	Added the article.	In order to let shareholders understand the real-time results of votes and elections,

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<u>meeting, the Company must disclose the real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure must continue at least 15 minutes after the chair has announced the meeting adjourned.</u>		sufficient time for the disclosure of information is specified.
Article 20	<u>Location of the chair and secretary of virtual-only shareholders' meeting</u> <u>When the Company convenes a virtual-only shareholders' meeting, both the chair and secretary must be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u>	Added the article.	Added relevant regulations to accommodate virtual shareholders' meetings.
Article 21	<u>Handling of disconnection</u> <u>In the event of a virtual shareholders' meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve technical communication issues.</u> <u>In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair must also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the</u>	Added the article.	Added relevant regulations to accommodate virtual shareholders' meetings.

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>Administration of Shareholder Services of Public Companies, if the video conference platform or participation via the platform is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting must be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act does not apply.</u></p> <p><u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online cannot attend the postponed or resumed session.</u></p> <p><u>For a meeting to be postponed or resumed under paragraph 2, the number of shares represented by and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in to the meeting, but do not attend the postponed or resumed session of the affected shareholders' meeting, must be counted towards the total number of shares, number of voting rights and number of election rights</u></p>		

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders' meeting held under paragraph 2, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or for lists of elected directors and supervisors.</u></p> <p><u>When the Company convenes a physical shareholders' meeting with the assistance of a video conference, and the video conference cannot continue as described in paragraph 2, if the total number of shares represented by shareholders present at the meeting, after deducting the number of shares present by means of video participation, still reaches the quorum for the shareholders' meeting, then the shareholders' meeting must continue, and no postponement or resumption thereof under paragraph 2 is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by the shareholders attending the meeting through video conference must be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders must be deemed</u></p>		

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<p><u>abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</u></p> <p><u>When postponing or resuming a meeting in accordance with paragraph 2, the Company must handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or periods set forth under Article 12, second half and Article 13, paragraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company must handle matters based on the date of the shareholders' meeting that is postponed or resumed under the paragraph 2.</u></p>		
Article 22	<p><u>Handling of digital divide</u></p> <p><u>When convening a virtual shareholders' meeting, the Company must provide appropriate alternative measures available to shareholders with difficulties in participating in the</u></p>	Added the article.	Added relevant regulations to accommodate virtual shareholders' meetings.



Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
	<u>shareholders' meeting by video.</u>		
Article 23	<p>These Rules take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto must be effected in the same manner.</p> <p>These Rules were established on August 20, 2021.</p> <p><u>The first amendment was made on June 15, 2023.</u></p>	<p>These Rules take effect after having been submitted to and approved by a shareholders meeting.</p> <p>Subsequent amendments thereto must be effected in the same manner.</p> <p>These Rules were established on August 20, 2021.</p>	<p>Revised the order of the article.</p> <p>Added the date of amendment.</p>

**<Attachment XI>**

**Name List of Independent Director Candidates**

Position	Name of candidate	Number of shares held	Educational background/work experience
Independent Director	Chen Hou-Tien	0 share	Educational background: Bachelor of Electrical Engineering, Georgia Institute of Technology Master of Electrical Engineering, San José State University
			Work experience: Nortel Networks RD Senior Engineer PLX Technology Senior Designer Senior Section Chief, ASUSTEK COMPUTER INCORPORATION
			Current post: Senior Manager, Innolux Corporation
Independent Director	Hung Jen-Chieh	0 share	Educational background: Department of Law, National Chung Hsing University
			Work experience: Chairperson, Hung Jen-Chien Attorneys-at-Law
			Current post: Chairperson, Hung Jen-Chien Attorneys-at-Law Independent Director, Cameo Communications, Inc. Independent Director, NewSoft Technology Corporation Supervisor, AMIT WIRELESS INC. Director of Institutional Representative, OFCO INDUSTRIAL CORPORATION

## <Attachment XII>

### **Companies and Job Titles of Independent Directors Holding Concurrent Positions Related to Non-competition Requirements**

Independent Director	Companies and job titles of concurrent positions related to non-competition requirements	
Chen Hou-Tien	Senior Manager, Innolux Corporation	
Hung Jen-Chieh	Chairperson, Hung Jen-Chien Attorneys-at-Law	Independent Director, Cameo Communications, Inc.
	Independent Director, NewSoft Technology Corporation	Supervisor, AMIT WIRELESS INC.
	Director of Institutional Representative, OFCO INDUSTRIAL CORPORATION	