

# **TSG Star Travel Corp.**

## **2024 Annual General Shareholders' Meeting Minutes**

**Time:** June 19, 2024 (Wednesday), 09:00AM

**Address:** 7F., No. 161、163, Sec. 2, Minsheng E. Rd., Zhongshan Dist., Taipei City 104073, Taiwan (R.O.C.) (the Company's Conference Room) (Physical Shareholders' Meeting)

**Attendants:** Total shares represented by shareholders presented in person or by proxy were 55,671,108 shares, including 50,077,181 shares exercised via electronic transmission, accounting for 80.98% 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:** Hsu Norah, the CPA of PwC Taiwan, and Hsu Cheng-Kun, the lawyer of Positive Thinking Law Firms

### **One. Commencement of Meeting**

### **Two. Chair Remarks**

### **Three. Report Items**

I. The 2023 business report is submitted for review.

**[Explanation]** For the business report, please refer to Attachment I on Pages 6-7.

**[Proceedings]** No questions from shareholders.

II. The Audit Committee's review report on the 2023 financial statements is submitted for review.

**[Explanation]** For the Audit Committee's review report, please refer to Attachment II on Page 8.

**[Proceedings]** No questions from shareholders.

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

**[Explanation]**

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 March 15, 2022.

II. For the implementation of the Company's sound business plan, please refer to Attachment III on Page 9.

**[Proceedings]** No questions from shareholders.

IV. The report on the distribution of directors' remuneration for 2023 is submitted for review.

**[Explanation]**

- I. The directors' remuneration for 2023 has been approved per the resolution of the Board of Directors on January 17, 2024.
- II. The Company's directors' remuneration for 2023 totaled NT\$2,590,000.
- 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 IV on Page 10-11.

**[Proceedings]** No questions from shareholders.

## **Four. Ratification Items**

**<Proposal 1>**

**[Summary]** Ratification of the 2023 financial statements. [Proposed by the Board of Directors]

**[Explanation]**

- I. The Company's 2023 parent company only financial statements and consolidated financial statements have been audited and certified by Tien Chung-Yu, CPA, and Hsu Norah, 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 on Pages 6-7) are submitted to the shareholders' meeting for ratification.
- III. For the 2023 parent company only financial statements and consolidated financial statements and independent auditor's report, please refer to Attachment V on Pages 12-33.
- IV. Please ratify.

**[Resolution]** The above proposal was hereby approved as proposed.

Voting results	Votes(votes)	Total shares represented at the time of voting(%)
Votes in favor (including 50,063,401 votes casted electronically)	55, 657, 295	99. 975188
Votes against (including 3,549 votes casted electronically)	3, 549	0. 006374
Votes abstained (including 10,231 votes casted electronically)	10, 264	0. 018438
Votes invalid	0	0

**[Proceedings]** No questions from shareholders.

**<Proposal 2>**

**[Summary]** Ratification of the 2023 loss compensation plan. [Proposed by the Board of Directors]

**[Explanation]**

- I. The Company has prepared its 2023 financial statements. The net profit tax for the current year was NT\$105,316 thousand.
- II. For the 2023 loss compensation plan, please refer to the table below.

Expressed in thousands of NTD

Item	Amount
Beginning loss to be compensated	(181,787)
Net profit after tax	105,316
Ending loss to be compensated	(76,471)

- III. Please ratify.

**[Resolution]** The above proposal was hereby approved as proposed.

Voting results	Votes(votes)	Total shares represented at the time of voting(%)
Votes in favor (including 50,064,211 votes casted electronically)	55,658,105	99.976643
Votes against (including 3,883 votes casted electronically)	3,883	0.006974
Votes abstained (including 9,087 votes casted electronically)	9,120	0.016383
Votes invalid	0	0

**[Proceedings]** No questions from shareholders.

## Five. Discussion Items

### <Proposal 1>

[Summary] Amendments to certain provisions of the Articles of Incorporation.

[Proposed by the Board of Directors]

### [Explanation]

- I. In order to attract and retain the talents needed by the company, and to motivate and enhance employees' centripetal force, it is proposed to amend some provisions of the company's articles of association.
- II. For the Comparison Table of the Articles of Incorporation Before and After Amendment, please refer to the table below.

Article	Proposed Amendment to Article	Original Article	Explanation for Amendment
Article 22	<u>If the company makes a profit, it should allocate no less than 3% as employee remuneration and no more than 3% as director remuneration. However, if the company still has accumulated losses, it should reserve the compensation amount in advance. The second and third items are omitted</u>	<u>If the Company makes profit, it must allocate employee remuneration taking between 0.1% to 7% of the remainder of the year's pre-tax income before allocating employee remuneration and deducting accumulated losses.</u>  The second and third items are omitted	Revise the allocation of employee remuneration and increase the allocation of directors' remuneration.
Article 25	The Articles of Incorporation were established on February 12, 2003. The first to sixteenth items are omitted. <u>The seventeen amendment was made on June 19, 2024.</u>	The Articles of Incorporation were established on February 12, 2003. The first to sixteenth items are omitted.	Added the date of amendment.

[Resolution] The above proposal was hereby approved as proposed.

Voting results	Votes(votes)	Total shares represented at the time of voting(%)
Votes in favor (including 50,065,781 votes casted electronically)	55,659,675	99.979463
Votes against (including 2,679 votes casted electronically)	2,679	0.004812
Votes abstained (including 8,721 votes casted electronically)	8,754	0.015725
Votes invalid	0	0

[Proceedings] No questions from shareholders.

## Six. Extraordinary Motions

## Seven. Adjournment

## Eight. Attachments

### <Attachment I>

#### TSG Star Travel Corp. 2023 Business Report

##### I. 2023 operating results

In 2023, due to the good performance of charter flights from Kochi, Japan and Phuket, Thailand, eight consecutive years of losses were ended, with a small surplus. However, customs offices around the world are still short of manpower and unable to cope with the growing demand from international tourists, resulting in limited opening of travel routes. On the other hand, the shortage of airlines and cabin crew personnel has led to rising flight ticket prices, thus increasing operating costs. In order to cope with the opening of the tourism market, the company needs to build manpower, which increases costs and affects the company's profits. The company's consolidated operating results for 2023 are highlighted as follows :

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

The company's consolidated revenue in 2023 was NT\$1,097,262,000, an increase of 1,241% from the consolidated revenue in 2022 of NT\$81,806,000. This was due to the increase in overseas tourism performance after the country opened up in October 2022.

Expressed in thousands of NTD

Item	2023	2022
Operating revenue	1,097,262	81,806
Gross profit	114,832	(40)
Operating expenses	156,576	73,802
Operating loss	(41,744)	(73,842)
Net loss	105,316	(44,592)
Net loss attributable to owners of the parent	105,316	(44,592)
EPS (NT\$)	1.53	(1.16)

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

Item		2023	2022
Financial structure (%)	Debt to asset ratio (%)	36.04	22.47
	Long-term fund to property, plant and equipment ratio (%)	560.81	491.83
Liquidity analysis (%)	Current ratio (%)	257.11	495.85
	Quick ratio (%)	190.38	476.97
Profitability (%)	Return on assets (%)	13.19	(9.57)
	Return on equity (%)	18.7	(15.98)
	Net margin (%)	9.60	(54.51)

## **II. 2023 Business Plan overview**

The company adopts a healthy management attitude, selects travel routes with a blue ocean strategy, concentrates human sales, continues to optimize the company organization and improve customer satisfaction. The relevant strategic directions are as follows:

1. Select the blue ocean tourism market, use air tickets and hotel resources to open up new markets, increase market share and gross profit, and together with Tigerair Taiwan, in addition to the original charter flights to Phuket, Kochi and Akita in Japan, and continue to pay attention to other second-tier cities in Japan. The possibility of charter flights to other tourist destinations in Southeast Asia not only increases the company's visibility, but also creates differentiation and provides consumers with new travel options.
2. Continue to open more stores across the province, establish a comprehensive sales network, expand corporate customers in various regions, and increase direct customer services.
3. Continuously recruit talents, build tourism routes, cultivate middle-level cadres of the company, and optimize the organization.

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

Looking into the future, although the global tourism market is gradually opening up, the Chinese market has not been able to open up as scheduled. TSG Star Travel should develop other product lines and continue to optimize charter flights to enhance competitiveness. And combine the group's resources to develop more comprehensive tourism products and services. In addition, TSG Star Travel will continue to improve organizational efficiency, digitalization and cost efficiency, hoping to operate steadily in 2024 and become the travel brand of choice for consumers.

**<Attachment II>**

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

The Board of Directors prepared the Company's 2023 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 Hsu Norah, 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

TSG Star Travel Corp.

Convener of Audit Committee: Independent Director Hong Ren-Jie

March 14, 2024

## <Attachment III>

### **TSG 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 2023 was NT\$170,600 thousand, while the actual operating revenue was NT\$1,097,262 thousand.
    - B. The estimated net profit after tax in 2023 was NT\$7,767 thousand, while the actual net loss after tax was NT\$105,316 thousand.
  - (2) 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.



## &lt;Attachment IV&gt;

## Directors' remuneration for 2023

Expressed in thousands of NTD

Title	Name	Director's remuneration								Sum of A, B, C and D as a percentage of net income%		Remuneration received by a Director who is also an employee of the Company								Sum of A, B, C, D, E, F, and G as a percentage of net income%		Compensation received from reinvestment business or Parent Company
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances for Operations (D)				Salary, bonuses, and allowances (E)		Severance Pay and Pensions(F)		Employees' compensation (G)						
		The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company		All Companies in the Financial Report		The Company	All Companies in the Financial Report	
																Cash	stock	Cash	stock			
Director	Hou Yu-Lin	320	320	-	-	-	-	30	30	0.33	0.33	-	-	-	-	-	-	-	-	0.33	0.33	None
	Cheng Pao-Lien	280	280	-	-	-	-	35	35	0.30	0.30	-	-	-	-	-	-	-	-	0.30	0.30	None
	Taiwan Health & Exercise Investment Co. Ltd. Representative: Wang Chiung-Fen (Note 1)	110	110	-	-	-	-	-	-	0.10	0.10	-	-	-	-	-	-	-	-	0.10	0.10	None
	Taiwan Health & Exercise Investment Co. Ltd. Representative: Chen He-Shun	280	280	-	-	-	-	-	-	0.27	0.27	-	-	-	-	-	-	-	-	0.27	0.27	None
	Taiwan Health & Exercise Investment Co. Ltd. Representative: Hsieh Wen-Fang	280	280	-	-	-	-	5	5	0.27	0.27	-	-	-	-	-	-	-	-	0.27	0.27	None
	Taiwan Health & Exercise Investment Co. Ltd. Representative: Wu Yi-Ching	280	280	-	-	-	-	5	5	0.27	0.27	-	-	-	-	-	-	-	-	0.27	0.27	None
	Taiwan Health & Exercise Investment Co. Ltd. Representative: Xie,Yi-Jin (Note 2 )	170	170					-	-	0.16	0.16	-	-	-	-	-	-	-	-	0.16	0.16	None

Independent Director	Wu Tsung-Che (Note 3)	100	100	-	-	-	-	-	-	0.09	0.09	-	-	-	-	-	-	-	0.09	0.09	None
	Chang Po-Sheng (Note 4)	40	40	-	-	-	-	-	-	0.04	0.04	-	-	-	-	-	-	-	0.04	0.04	None
	Hung Yu-Ting	280	280	-	-	-	-	5	5	0.27	0.27	-	-	-	-	-	-	-	0.27	0.27	None
	Hong, Ren-Jie (Note 5)	200	200	-	-	-	-	-	-	0.19	0.19	-	-	-	-	-	-	-	0.19	0.19	None
	Chen, Hou-Dian (Note 5)	170	170	-	-	-	-	-	-	0.16	0.16	-	-	-	-	-	-	-	0.16	0.16	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: Resigned on June 15, 2023.

Note 2: Newly appointed on June 15, 2023.

Note 3: Resigned on May 30, 2023.

Note 4: Resigned on February 28, 2023.

Note 5: Newly appointed on June 15, 2023.

**<Attachment V>**

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of TSG Star Travel Corp.

### ***Opinion***

We have audited the accompanying consolidated balance sheets of TSG Star Travel Corp. and subsidiaries (the “Group”, and formerly “Star Travel Corp.”) as of December 31, 2023 and 2022, 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 material 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, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagement of 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 audit of the Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

#### **Faithful representation of the revenue recognition of group tours**

##### Description

Refer to Note 4(25) for accounting policy on revenue recognition and Note 6(17) for details of operating revenue.

The Group's operating revenue arise mainly from travel services. For the year ended December 31, 2023, domestic and international tourism markets gradually recovered due to the easing of the COVID-19 pandemic. Due to the large and diverse customer base and the significant number of transactions in group travel services, verifying the authenticity of transactions requires a longer time and is material to the parent company only financial statements. Thus, we considered the faithful representation of the revenue recognition of 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:

- A. 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.
- B. Selected samples from list of completed group tours at the balance sheet date, reviewed the customised travel contracts, orders, receipts and relevant collection vouchers to confirm the faithful representation of the revenue recognition of group tours.

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

We have audited and expressed an unqualified opinion on the parent company only financial statements of TSG Star Travel Corp. as of and for the years ended December 31, 2023 and 2022.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by 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 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 Group'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 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

Hsu, Huei-Yu

PricewaterhouseCoopers, Taiwan

Republic of China

March 14, 2024

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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 countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**STAR TRAVEL CORP. AND SUBSIDIARIES**  
**(FORMERLY STAR TRAVEL CORP.)**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 406,853	42	\$ 404,179	62
1136	Financial assets at amortised cost - current	6(1)(2) and 8	22,300	2	300	-
1150	Notes receivable, net	6(3) and 7	2,766	-	232	-
1170	Accounts receivable, net	6(3) and 12	13,542	2	9,736	1
1180	Accounts receivable, net-related parties	6(3), 7 and 12	3,074	-	768	-
1200	Other receivables	6(4), 7 and 12	10,400	1	2,677	-
1220	Current income tax assets	6(24)	142	-	36	-
130X	Inventories	6(5)	-	-	50	-
1410	Prepayments	6(6) and 7	160,923	17	16,490	3
11XX	Total current assets		620,000	64	434,468	66
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(7)	127,050	13	-	-
1535	Financial assets at amortised cost - non-current	6(2) and 8	47,431	5	89,400	14
1600	Property, plant and equipment	6(8) and 8	129,448	14	121,062	19
1755	Right-of-use assets	6(9)	29,841	3	-	-
1840	Deferred income tax assets	6(24)	882	-	519	-
1915	Prepayments for equipment	6(8)	-	-	13	-
1920	Guarantee deposits paid		12,449	1	9,468	1
15XX	Total non-current assets		347,101	36	220,462	34
1XXX	Total assets		\$ 967,101	100	\$ 654,930	100

(Continued)

**STAR TRAVEL CORP. AND SUBSIDIARIES**  
**(FORMERLY STAR TRAVEL CORP.)**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2023		December 31, 2022					
			Notes	AMOUNT	%	AMOUNT	%			
Current liabilities										
2130	Contract liabilities - current	6(17)	\$	157,222	16	\$	19,648	3		
2150	Notes payable			7,506	1		727	-		
2170	Accounts payable	7		37,056	4		14,326	2		
2200	Other payables	6(10) and 7		28,324	3		13,924	2		
2280	Lease liabilities - current	6(9)		6,636	1		-	-		
2320	Long-term liabilities, current portion	6(11) and 8		4,397	-		4,360	1		
2399	Other current liabilities			2	-		6,528	1		
21XX	Total current liabilities			241,143	25		59,513	9		
Non-current liabilities										
2540	Long-term borrowings	6(11) and 8		82,939	9		87,298	13		
2570	Deferred tax liabilities	6(24)		257	-		-	-		
2580	Lease liabilities - non-current	6(9)		23,910	2		-	-		
2645	Guarantee deposits received			323	-		323	-		
25XX	Total non-current liabilities			107,429	11		87,621	13		
2XXX	Total liabilities			348,572	36		147,134	22		
Equity attributable to owners of parent										
Share capital										
3110	Common stock	6(13)		687,421	71		687,421	105		
3200	Capital surplus	6(14)(15)		7,579	1		2,162	1		
	Accumulated deficit	6(13)(16)								
3350	Accumulated deficit		(	76,471)	(	8)	(	181,787)	(	28)
3XXX	Total equity			618,529	64		507,796	78		
	Significant contingent liabilities and unrecognised contract commitments	9								
3X2X	Total liabilities and equity		\$	967,101	100	\$	654,930	100		

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

**STAR TRAVEL CORP. AND SUBSIDIARIES**  
**(FORMERLY STAR TRAVEL CORP.)**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**

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

	Items	Notes	Year ended December 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(17) and 7	\$ 1,097,262	100	\$ 81,806	100
5000	Operating costs	6(5)(22)(23) and 7	( 982,430)	( 90)	( 81,846)	( 100)
5900	Gross profit (loss)		114,832	10	40	-
	Operating expenses	6(9)(12)(15)(22)(23) and 7				
6100	Selling expenses		( 86,762)	( 8)	( 32,407)	( 40)
6200	General and administrative expenses		( 66,582)	( 6)	( 41,425)	( 51)
6450	Expected credit (loss) gain	12	( 3,232)	-	30	-
6000	Total operating expenses		( 156,576)	( 14)	( 73,802)	( 91)
6900	Operating loss		( 41,744)	( 4)	( 73,842)	( 91)
	Non-operating income and expenses					
7100	Interest income	6(2)(18)	3,815	-	1,163	1
7010	Other income	6(19) and 7	53,314	5	30,709	38
7020	Other gains and losses	6(7)(20)	91,924	9	233	-
7050	Finance costs	6(9)(21)	( 2,106)	-	( 2,789)	( 3)
7000	Total non-operating income and expenses		146,947	14	29,316	36
7900	<b>Profit (loss) before income tax</b>		105,203	10	( 44,526)	( 55)
7950	Income tax benefit (expense)	6(24)	113	-	66	-
8200	<b>Profit (loss) for the year</b>		\$ 105,316	10	\$ 44,592	( 55)
8500	<b>Total comprehensive income (loss) for the year</b>		\$ 105,316	10	\$ 44,592	( 55)
	Profit (loss) attributable to:					
8610	Owners of the parent		\$ 105,316	10	\$ 44,592	( 55)
	Comprehensive income (loss) attributable to:					
8710	Owners of the parent		\$ 105,316	10	\$ 44,592	( 55)
	Earnings (loss) per share (in dollars)	6(25)				
9750	Basic		\$ 1.53		\$ 1.16	
9850	Diluted		\$ 1.53		\$ 1.16	

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

STAR TRAVEL CORP. AND SUBSIDIARIES  
(FORMERLY STAR TRAVEL CORP.)  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent			
	Notes	Share capital - common stock	Capital surplus	Accumulated deficit	Total equity
<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 for the year		-	-	( 44,592)	( 44,592)
Capital reduction to offset against accumulated deficit	6(13)	( 153,300)	-	153,300	-
Issuance of common stock for cash	6(13)	500,000	-	-	500,000
Compensation cost recognised from employee stock options	6(14)(15)	-	2,090	-	2,090
Issuance of fractional shares from capital reduction	6(14)	-	9	-	9
Exercise of the right of disgorgement	6(14)	-	41	-	41
Balance at December 31, 2022		<u>\$ 687,421</u>	<u>\$ 2,162</u>	<u>(\$ 181,787)</u>	<u>\$ 507,796</u>
<u>For the year ended December 31, 2023</u>					
Balance at January 1, 2023		\$ 687,421	\$ 2,162	(\$ 181,787)	\$ 507,796
Profit for the year		-	-	105,316	105,316
Total comprehensive income for the year		-	-	105,316	105,316
Compensation cost recognised from employee stock options	6(14)(15)	-	5,417	-	5,417
Balance at December 31, 2023		\$ 687,421	\$ 7,579	(\$ 76,471)	\$ 618,529

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

STAR TRAVEL CORP. AND SUBSIDIARIES  
(FORMERLY STAR TRAVEL CORP.)  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

		Years ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit (loss) before tax		\$ 105,203	( \$ 44,526 )
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit loss (gain)	12	3,232	( 30 )
Reversal of inventory market price decline	6(5)	( 627 )	( 8 )
Gain on financial assets at fair value through profit or loss	6(20)	( 91,050 )	-
Depreciation	6(8)(9)(22)	5,394	3,092
Loss on disposal of property, plant and equipment	6(20)	94	-
Amortisation	6(22)	-	138
Compensation cost recognised from employee stock options	6(14)(15)	5,417	2,090
Interest income	6(18)	( 3,815 )	( 1,163 )
Interest expense	6(21)	2,106	2,789
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable	(	2,534 )	( 232 )
Accounts receivable	(	6,205 )	( 9,265 )
Accounts receivable - related parties	(	2,306 )	( 415 )
Other receivables	(	8,582 )	666
Inventories		677	266
Prepayments	(	144,433 )	( 7,770 )
Other current assets		-	248
Changes in operating liabilities			
Contract liabilities - current		137,574	9,692
Notes payable		6,779	727
Accounts payable		22,730	8,641
Other payables		13,044	1,664
Other current liabilities	(	6,526 )	5,788
Cash inflow (outflow) generated from operations		36,172	( 27,608 )
Interest received		3,841	928
Interest paid	(	2,062 )	( 2,890 )
Income tax refund		-	20
Income tax paid	(	99 )	( 34 )
Net cash flows from (used in) operating activities		<u>37,852</u>	<u>( 29,584 )</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets at amortised cost - current	(	22,000 )	-
Decrease (increase) in financial assets at amortised cost - non-current		41,969	( 56,800 )
Acquisition of financial assets at fair value through profit or loss - non-current	6(7)	( 36,000 )	-
Cash paid for acquisition of property, plant and equipment	6(26)	( 10,439 )	( 1,966 )
Increase in prepayments for equipment		-	( 13 )
Increase in guarantee deposits paid	(	2,981 )	( 327 )
Net cash flows used in investing activities	(	29,451 )	( 59,106 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Payment of lease liabilities	6(27)	( 1,405 )	-
Increase in long-term borrowings	6(27)	-	22,469
Repayments of long-term borrowings	6(27)	( 4,322 )	( 81,457 )
Decrease in guarantee deposits received	6(27)	-	( 45 )
Issuance of common stock for cash	6(13)	-	500,000
Issuance of fractional shares from capital reduction	6(14)	-	9
Exercise of the right of disgorgement	6(14)	-	41
Net cash flows (used in) from financing activities	(	5,727 )	441,017
Net increase in cash and cash equivalents		2,674	352,327
Cash and cash equivalents at beginning of year	6(1)	404,179	51,852
Cash and cash equivalents at end of year	6(1)	\$ 406,853	\$ 404,179

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

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of TSG Star Travel Corp.

### ***Opinion***

We have audited the accompanying parent company only balance sheets of TSG Star Travel Corp. (the “Company”, and formerly “Star Travel Corp.”) as of December 31, 2023 and 2022, 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 material 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, 2023, 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 Financial Statement Audit and Attestation Engagement of 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 2023 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 our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

**Faithful representation of the revenue recognition of group tours**

Description

Refer to Note 4(25) for accounting policy on revenue recognition and Note 6(18) for details of operating revenue.

The Company's operating revenue arise mainly from travel services. For the year ended December 31, 2023, domestic and international tourism markets gradually recovered due to the easing of the COVID-19 pandemic. Due to the large and diverse customer base and the significant number of transactions in group travel services, verifying the authenticity of transactions requires a longer time and is material to the parent company only financial statements. Thus, we considered the faithful representation of the revenue recognition of 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 group tours at the balance sheet date, reviewed the customised travel contracts, orders, receipts and relevant collection vouchers to confirm the faithful representation of the revenue recognition of group tours.

***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, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for



assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 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

Hsu, Huei-Yu

PricewaterhouseCoopers, Taiwan

Republic of China

March 14, 2024

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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 standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TSG STAR TRAVEL CORP.  
(FORMERLY STAR TRAVEL CORP.)  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 403,521	42	\$ 394,305	60
1136	Financial assets at amortised cost - current	6(1)(2) and 8	22,300	2	300	
1150	Notes receivable, net	6(3) and 7	2,766	-	232	-
1170	Accounts receivable, net	6(3) and 12	13,542	2	9,736	2
1180	Accounts receivable, net - related parties	6(3), 7 and 12	3,074	-	768	-
1200	Other receivables	6(4) and 12	10,160	1	2,053	-
1210	Other receivables - related parties	6(4) and 7	2,026	-	6,513	1
1220	Current income tax assets	6(25)	139	-	33	-
1410	Prepayments	6(6) and 7	159,586	17	16,317	3
11XX	Total current assets		617,114	64	430,257	66
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(7)	127,050	13	-	-
1535	Financial assets at amortised cost - non-current	6(2) and 8	47,431	5	89,400	14
1550	Investments accounted for under equity method	6(8)	2,410	-	3,885	1
1600	Property, plant and equipment	6(9) and 8	129,448	14	121,062	18
1755	Right-of-use assets	6(10)	29,841	3	-	-
1840	Deferred income tax assets	6(25)	882	-	519	-
1915	Prepayments for equipment	6(9)	-	-	13	-
1920	Guarantee deposits paid	7	12,486	1	9,146	1
15XX	Total non-current assets		349,548	36	224,025	34
1XXX	Total assets		\$ 966,662	100	\$ 654,282	100

(Continued)

TSG STAR TRAVEL CORP.  
(FORMERLY STAR TRAVEL CORP.)  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2023		December 31, 2022			
			Notes	AMOUNT	%	AMOUNT	%	
Current liabilities								
2130	Contract liabilities - current	6(18)	\$	157,222	16	\$	19,452	3
2150	Notes payable			6,775	1		8	-
2170	Accounts payable			37,017	4		13,909	2
2180	Accounts payable - related parties	7		37	-		1,303	-
2200	Other payables	6(11) and 7		28,943	3		13,629	2
2280	Lease liabilities - current	6(10)		6,636	1		-	-
2320	Long-term liabilities, current portion	6(12) and 8		4,397	-		4,360	1
2399	Other current liabilities			-	-		6,527	1
21XX	Total current liabilities			241,027	25		59,188	9
Non-current liabilities								
2540	Long-term borrowings	6(12) and 8		82,939	9		87,298	13
2570	Deferred tax liabilities	6(25)		257	-		-	-
2580	Lease liabilities - non-current	6(10)		23,910	2		-	-
25XX	Total non-current liabilities			107,106	11		87,298	13
2XXX	Total liabilities			348,133	36		146,486	22
Equity								
Share capital								
3110	Ordinary share	6(14)		687,421	71		687,421	105
3200	Capital surplus	6(15)(16)		7,579	1		2,162	1
Accumulated deficit								
3350	Accumulated deficit	6(14)(17)	(	76,471)	( 8)	(	181,787)	( 28)
3XXX	Total Equity			618,529	64		507,796	78
Significant Contingent Liabilities and							9	
Unrecognised Contract Commitments								
3X2X	Total liabilities and equity		\$	966,662	100	\$	654,282	100

The accompanying notes are an integral part of these parent company only financial statements.

TSG STAR TRAVEL CORP.  
(FORMERLY STAR TRAVEL CORP.)  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2023 AND 2022

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

Items		Notes	Year ended December 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(18) and 7	\$ 1,097,252	100	\$ 78,854	100
5000	Operating costs	6(4)(5)(24) and 7	( 982,411)	( 89)	( 63,499)	( 81)
5900	Gross profit		114,841	11	15,355	19
5910	Unrealised loss from sales, net	6(8)	-	-	( 2)	-
5950	Gross profit, net		114,841	11	15,353	19
	Operating expenses	6(10)(13)(16)(23) (24) and 7				
6100	Selling expenses		( 86,680)	( 8)	( 32,363)	( 41)
6200	General and administrative expenses		( 64,913)	( 6)	( 39,352)	( 50)
6450	Expected credit (loss) gain	12	( 2,399)	-	30	-
6000	Total operating expenses		( 153,992)	( 14)	( 71,685)	( 91)
6900	Operating loss		( 39,151)	( 3)	( 56,332)	( 72)
	Non-operating income and expenses					
7100	Interest income	6(2)(19)	3,776	-	1,153	2
7010	Other income	6(20) and 7	51,430	5	26,196	33
7020	Other gains and losses	6(7)(21)	92,729	8	349	-
7050	Finance costs	6(10)(22)	( 2,106)	-	( 2,789)	( 3)
7070	Share of loss of subsidiaries, associates and joint ventures accounted for under equity method	6(8)	( 1,475)	-	( 13,109)	( 17)
7000	Total non-operating income and expenses		144,354	13	11,800	15
7900	<b>Profit (loss) before income tax</b>		105,203	10	( 44,532)	( 57)
7950	Income tax benefit (expense)	6(25)	113	-	( 60)	-
8200	<b>Profit (loss) for the year</b>		<u>\$ 105,316</u>	<u>10</u>	<u>(\$ 44,592)</u>	<u>( 57)</u>
8500	<b>Total comprehensive income (loss) for the year</b>		<u>\$ 105,316</u>	<u>10</u>	<u>(\$ 44,592)</u>	<u>( 57)</u>
	Earnings (loss) per share (in dollars)	6(26)				
9750	Basic		<u>\$ 1.53</u>		<u>(\$ 1.16)</u>	
9850	Diluted		<u>\$ 1.53</u>		<u>(\$ 1.16)</u>	

The accompanying notes are an integral part of these parent company only financial statements.

TSG STAR TRAVEL CORP.  
(FORMERLY STAR TRAVEL CORP.)  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

	<u>Notes</u>	<u>Share capital - common stock</u>	<u>Capital surplus</u>	<u>Accumulated deficit</u>	<u>Total equity</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 for the year		-	-	( 44,592)	( 44,592)
Capital reduction to offset against accumulated deficit	6(14)	( 153,300)	-	153,300	-
Issuance of common stock for cash	6(14)	500,000	-	-	500,000
Compensation cost recognised from employee stock options	6(15)(16)	-	2,090	-	2,090
Issuance of fractional shares from capital reduction	6(15)	-	9	-	9
Exercise of the right of disgorgement	6(15)	-	41	-	41
Balance at December 31, 2022		<u>\$ 687,421</u>	<u>\$ 2,162</u>	<u>(\$ 181,787)</u>	<u>\$ 507,796</u>
<u>For the year ended December 31, 2023</u>					
Balance at January 1, 2023		\$ 687,421	\$ 2,162	(\$ 181,787)	\$ 507,796
Profit for the year		-	-	105,316	105,316
Total comprehensive income for the year		-	-	105,316	105,316
Compensation cost recognised from employee stock options	6(15)(16)	-	5,417	-	5,417
Balance at December 31, 2023		<u>\$ 687,421</u>	<u>\$ 7,579</u>	<u>(\$ 76,471)</u>	<u>\$ 618,529</u>

The accompanying notes are an integral part of these parent company only financial statements.

TSG STAR TRAVEL CORP.  
(FORMERLY STAR TRAVEL CORP.)  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

		For the years ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit (loss) before tax		\$ 105,203	( \$ 44,532 )
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit loss (gain)	12	2,399	( 30 )
Reversal of inventory market price decline	6(5)	( 627 )	( 8 )
Gain on financial assets at fair value through profit or loss	6(7)(21)	( 91,050 )	-
Share of loss of subsidiaries, associates and joint ventures accounted for under equity method	6(8)	1,475	13,109
Unrealised profit from operating sales	6(8)	-	2
Depreciation	6(9)(10)(23)	5,394	3,092
Loss on disposal of property, plant and equipment	6(21)	94	-
Amortisation	6(23)	-	138
Compensation cost recognised from employee stock options	6(15)(16)	5,417	2,090
Interest income	6(19)	( 3,776 )	( 1,153 )
Interest expense	6(22)	2,106	2,789
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		( 2,534 )	( 232 )
Accounts receivable		( 6,205 )	( 9,265 )
Accounts receivable - related parties		( 2,306 )	( 328 )
Other receivables		( 8,172 )	( 1,358 )
Other receivables - related parties		4,487	( 1,074 )
Inventories		627	8
Prepayments		( 143,269 )	( 7,533 )
Changes in operating liabilities			
Contract liabilities - current		137,770	9,668
Notes payable		6,767	8
Accounts payable		23,108	8,815
Accounts payable - related parties		( 1,266 )	1,209
Other payables		13,958	4,009
Other current liabilities		( 6,527 )	5,814
Cash inflow (outflow) generated from operations		43,073	( 14,762 )
Interest received		3,841	918
Interest paid		( 2,062 )	( 2,890 )
Income tax paid		( 99 )	( 5 )
Net cash flows from (used in) operating activities		44,753	( 16,739 )
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets at amortised cost - current		( 22,000 )	-
Decrease (increase) in financial assets at amortised cost - non-current		41,969	( 56,800 )
Acquisition of financial assets at fair value through profit or loss - non-current	6(7)	( 36,000 )	-
Acquisition of investments accounted for under equity method	6(8)	-	( 12,000 )
Cash paid for acquisition of property, plant and equipment	6(27)	( 10,439 )	( 1,966 )
Increase in prepayments for equipment		-	( 13 )
Increase in guarantee deposits paid		( 3,340 )	( 428 )
Net cash flows used in investing activities		( 29,810 )	( 71,207 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Payment of lease liabilities	6(28)	( 1,405 )	-
Increase in long-term borrowings	6(28)	-	22,469
Repayments of long-term borrowings	6(28)	( 4,322 )	( 81,457 )
Issuance of common stock for cash	6(14)	-	500,000
Issuance of fractional shares from capital reduction	6(15)	-	9
Exercise of the right of disgorgement	6(15)	-	41
Net cash flows (used in) from financing activities		( 5,727 )	441,062
Net increase in cash and cash equivalents		9,216	353,116
Cash and cash equivalents at beginning of year	6(1)	394,305	41,189
Cash and cash equivalents at end of year	6(1)	\$ 403,521	\$ 394,305

The accompanying notes are an integral part of these parent company only financial statements.



## Nine. Appendixes

### <Appendix I>

#### **TSG Star Travel Corp.**

#### **Articles of Incorporation**

##### **Chapter I. General Provisions**

- 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 TSG Star Travel Corp. in the English language.
- Article 2: The Company's business lines include:  
1. J902011 Travel Agencies. **(The business scope is subject to that approved by the Tourism Bureau of the Ministry of Transportation.)**
- Article 2-1: The total amount of the Company's investments in other companies is not subject to the restriction of no more than 40 percent of the Company's paid-in capital as stipulated in Article 13 of the Company Act. The Board of Directors is given full authority to process matters relating to investments in other companies.
- Article 2-2: The Company may make endorsements and guarantees where business needs exist by a resolution adopted by the Board of Directors.
- Article 3: The Company's headquarters shall be established in Tainan 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.
- Article 4: This article has been deleted.

##### **Chapter II. Shares**

- Article 5: The total capital stock of the Company shall be in the amount of 1,000,000,000 New Taiwan dollars, divided into 100,000,000 ordinary shares at 10 New Taiwan dollars per share; the shares may be issued in installments.
- Five percent of the total shares in the preceding paragraph, with a total amount of 50,000,000 New Taiwan dollars, divided into 5,000,000 shares, shall be reserved for issuing employee stock options, which may be issued in installment by a resolution adopted by the Board of Directors.
- Employees entitled to receive employee stock options shall be restricted to the employees of the Company and parent or subsidiary companies of the Company in Taiwan and abroad. The Board of Directors is authorized to determine the qualification requirements and the transfer method.
- The Company may transfer treasury stock to employees at a price lower than the average actual buyback price, provided it is handled in accordance with relevant laws and the approval of the shareholders' meeting.

- Article 6: The Company may issue share certificates. The share certificates of the Company shall all be name-bearing, and shall be duly certified or authenticated in accordance with the law.  
The Company is exempted from printing certificates for the shares and other securities issued, but it shall register the issued shares with the Taiwan Depository and Clearing Corporation.
- Article 7: Share transfer registration for general and special shareholders' meetings shall be handled in accordance with Article 165 of the Company Act. Share transfer registration shall be suspended within five days prior to the record date determined by the Company for distribution of dividends, bonuses, or other benefits.
- Article 8: Except as provided in the Articles of Incorporation, the Company's administration of shareholder services shall be conducted in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.
- Article 9: This article has been deleted.
- Article 9-1: When the Company holds a shareholders' meeting, shareholders may exercise their voting rights by correspondence or electronic means.

### **Chapter III. Shareholders' Meeting**

- Article 10: 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.  
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.
- Article 11: In case a shareholder is unable to attend the meeting for any reason, they may issue a written proxy, state therein the scope of the proxy's authorization, and appoint an eligible proxy to attend the meeting on their behalf. In addition to Article 177 of the Company Act, the proxy attending a meeting shall follow the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.
- Article 12: The Company's shareholders are entitled to one vote per share, except where the shares do not have voting rights under the situations set out in Article 179 of the Company Act.
- Article 13: Except if regulated otherwise by relevant laws, a shareholders' meeting resolution is passed when more than half of all outstanding shares attend the meeting in person or by appointing a proxy, and the motion is voted in favor by more than half of all voting rights represented by shareholders present at the meeting.

Article 14: The chair of a shareholders' meeting shall be handled in accordance with Article 182 and Article 208, paragraph 3 of the Company Act.

Article 14-1: If the Company wishes to cease its status as a public company after it has publicly listed its shares, it shall submit an application to the competent authority after the approval of a shareholders' meeting. This article shall not be changed during the ESM period and listed (OTC) period.

#### **Chapter IV. Directors**

Article 15: The Company has five to nine persons serving as directors as determined by the resolution adopted by the Board of Directors. The election of directors adopts the candidate nomination system in accordance with Article 192-1 of the Company Act. Directors are selected from the candidate list at a shareholders' meeting and have a term of three years. The tenure of directors elected by a shareholders' meeting in accordance with the law who do not join the re-election at the end of the term must be extended until the newly-elected director gets on-board. Matters relating to the receipt and processing of the nominations of directors and announcements must be based on the relevant laws and regulations of the Company Act and Securities and Exchange Act. The directors of the Company in the preceding paragraph shall include at least three independent directors. The number shall be decided by resolution of the Board of Directors. The independent directors are elected from the independent director candidate list at the shareholders' meeting. The shareholding percentage of all directors of the Company shall follow the regulations of the competent authority in charge of securities affairs. The Company sets up the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The composition of the Audit Committee is formed by all of the Independent Directors. The performance of duties by the Audit Committee and members and related matters shall be handled according to the Company Act and the Securities and Exchange Act.

Article 16: The Board of Directors shall be organized by the directors. The directors shall elect from among themselves a chairperson and a vice chairperson, by a majority in a meeting attended by over two-thirds of the directors, to represent the Company externally. In case the chairperson is on leave or unable to exercise their power and authority for any reason, the vice chairperson shall act on their behalf. In case there is no vice chairperson, or the vice chairperson is also on leave or unable to their power and authority for any reason, the chairperson shall appoint one of the directors to represent them. Apart from the first meeting of each term of the Board of Directors which must be convened by the director who received ballots representing the largest number of votes at the election of directors after re-election, the chairperson must convene the board meeting. The meeting notice may be sent by correspondence, e-mail, or fax to every director seven days before the meeting is convened. The meeting may be convened at any time when emergency events arise.

When a director is unable to attend the board meeting, they may appoint another director to attend the board meeting on their behalf. Independent directors must attend the meeting in person or appoint another independent directors to attend on their behalf, but it is necessary to provide a proxy form with the scope of authorization for the agenda listed. The proxy is limited to one person. When a board meeting is convened in through video conference, directors who participate in the meeting through video conference will be deemed to have attended the meeting in person.

Article 17: This article has been deleted.

Article 17-1: Directors must be paid monthly remuneration regardless of the Company's financial performance. The Board of Directors is authorized to decide the remuneration amount based on the directors' involvement in the Company's operation and their contributions.

Article 17-2: The Company must purchase liability insurance for all of its directors with approval by board resolution to protect the interests and rights of all shareholders and lower the Company's operational risks.

Article 18: Resolutions at a board meeting shall, unless otherwise provided by the Company Act, be adopted by a majority vote of the directors present who represent more than one-half of the total number of directors. When a board meeting is convened through video conference, directors who participate in the meeting through video conference will be deemed to have attended the meeting in person.

Article 19: This article has been deleted.

### **Chapter V. Managerial Officers**

Article 20: The Company may appoint one general manager or several managerial officers, whose appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

### **Chapter VI. Accounting**

Article 21: At the end of each accounting period, the Company's Board of Directors shall prepare the

- (I) business report;
- (II) financial statements; and
- (III) proposals for earnings distribution or loss compensation, and submit them to the shareholders' meeting for ratification.

Article 22: If the Company makes profit, it must allocate employee remuneration taking between

0.1% to 7% of the remainder of the year's pre-tax income before allocating employee remuneration and deducting accumulated losses.

The decision to distribute the employee remuneration in the form of stock or cash shall be made with the approval of the majority of a board meeting with two-thirds of the members present. Such resolution must be reported to the shareholders' meeting.

The recipients of the employee remuneration distribution may include employees of subsidiaries who meet certain criteria.

Article 22-1: This article has been deleted.

## **Chapter VII. Additional Provisions**

Article 23: The Company's settlement each year, where there is a surplus, must first be set aside to pay the taxes, make up for the accumulated losses, and 10% of the remaining balance must be recorded as provision of legal reserve, with exception to legal reserve already at an amount equals to the Company's total paid-in capital. Then, a special reserve shall be set aside or reversed in accordance with the laws or regulations of the competent authority. The remaining portion along with the beginning accumulated undistributed retained earnings and adjustment to current undistributed retained earnings, except for reservation for business needs, may be distributed after submission to the shareholders' meeting for resolution.

In addition to the earnings distribution set out in the preceding paragraph, the Company may distribute all or part of the surplus in accordance with the laws or regulations of the competent authority.

The Company's dividend and surplus distribution policy takes various factors such as finance, business, and management into consideration for the issuance of new shares or cash distribution method. The ratio of cash distribution should not be less than 5% of the total earnings and surplus for the current year.

Article 24: Any other matters not set forth in these Articles of Incorporation are advised to be dealt with in accordance with the Company Act and other applicable laws, rules, and regulations.

Article 25: The Articles of Incorporation were established on February 12, 2003.

The first amendment was made on December 8, 2006.

The second amendment was made on June 12, 2007.

The third amendment was made on June 10, 2008.

The fourth amendment was made on December 10, 2008.

The fifth amendment was made on June 10, 2009.

The sixth amendment was made on June 25, 2010.

The seventh amendment was made on January 31, 2011.

The eighth amendment was made on June 18, 2012.

The ninth amendment was made on June 19, 2013.  
The tenth amendment was made on June 13, 2016.  
The eleventh amendment was made on June 17, 2019.  
The twelfth amendment was made on August 12, 2020.  
The thirteenth amendment was made on August 20, 2021.  
The fourteenth amendment was made on April 13, 2022.  
The fifteenth amendment was made on November 23, 2022.  
The sixteenth amendment was made on June 15, 2023.

## <Appendix II>

# **TSG Star Travel Corp.**

## **Rules of Procedure for Shareholders' Meetings**

2nd version Amendment date: June 15, 2023

- Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies.
- Article 2 The rules of procedure for the Company's shareholders' meetings, unless otherwise specified by laws and regulations or the Company's Articles of Incorporation, must be conducted in accordance with the terms of these Rules.
- Article 3 Unless otherwise provided by laws or regulations, the Company's shareholders' meetings must be convened by the Board of Directors.
- 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. 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 premises and at the stock transfer agent engaged by the Company.
- 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:
- I. Distributed at the venue of the meeting for a physical shareholders' meeting.

- II. 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.
- III. Transmitted to the video conference platform in the form of an electronic file for video shareholders' meeting.

The meeting advice and announcement must include a detailed agenda. Advice and announcements can be served in electronic form with the recipient's consent.

Discussions concerning the election or dismissal of directors, amendment of the Articles of Incorporation, capital reduction, cessation of public offering, permission for directors' involvement in competing businesses, capitalization of earnings, capitalization of capital reserves, dissolution of the Company, mergers, divestments, and any issues listed in Article 185, Paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers must be raised as part of the regular motions with summaries explained in the meeting agenda. They may not be raised in as extraordinary motions.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the meeting agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibility, provided that in the proceedings the number of items so proposed is limited to one only in accordance with Article 172-1 of the Company Act, and that no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Proposals submitted by shareholders are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal



shall be present in person or by proxy at the regular shareholders' meeting and take part in discussion of the proposal.

Prior to the date for issuance of the notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting, the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 Shareholders may appoint proxies to attend the shareholders' meeting on their behalf by filling in the Company's proxy form and specifying the scope of delegated authority.

Each shareholder may issue one proxy form and designate one proxy only. All proxy forms must be received by the Company at least 5 days before the shareholders' meeting. In cases where multiple proxy forms are issued, the one that arrives first must prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.

Should the shareholder decide to attend a shareholders' meeting in person or exercise voting rights in writing or using electronic means after a proxy form has been received by the Company, a written notice must be sent to the Company no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw a proxy arrangement before the due date, a vote of the proxy attendant must prevail.

Should the shareholder decide to attend a shareholders' meeting via video conference, a written notice must be sent to the Company no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw the proxy arrangement before the due date, the vote of the proxy attendant must prevail.

Article 5 Principles determining the time and place of a shareholders' meeting

Shareholder meetings must be held at locations that are suitable and convenient for shareholders to attend. Meetings cannot commence anytime earlier than 9AM or later than 3PM. Independent Directors' opinions must be fully taken into consideration when choosing the meeting venue and time.

There are no restrictions on the meeting venue as prescribed in the preceding paragraph when the Company holds a video shareholders' meeting.

Article 6 Preparation of documents such as the attendance book

The meeting advice must specify details such as meeting check-in time, venue, and important notes where relevant for the shareholders, proxy issuers, and proxy agents (hereinafter together referred to as the shareholders).

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. Check-in for the shareholders' meeting must be accepted at the shareholders' meeting video conference platform at least 30 minutes before the meeting starts. Shareholders who have checked in are deemed to be present in person at the shareholders' meeting.

Shareholders may attend shareholders' meetings by presenting a valid conference pass, attendance card or other document of a similar nature. The Company cannot request shareholders to present additional documentary proof unless specified in advance. Proxy form holders are required to bring proof of identity for verification.

An attendance log must be prepared to record shareholders' attendance; alternatively, shareholders may present attendance cards to signify their presence.

Shareholders who attend the meeting must be given a copy of the meeting handbook, annual report, attendance pass, opinion slip, motion ballots and other information relevant to the meeting. Additional ballots shall be prepared if an election of directors is also being held during the meeting.

Where the shareholder is a government agency or corporate entity, more than one representative may attend the shareholders' meeting on their behalf. Corporate entities that have been designated as proxy attendants can only appoint one representative to attend a shareholders' meeting.

Shareholders who intend to attend a video shareholders' meeting must register with the Company 2 days prior to the date of the meeting.

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.

#### Article 6-1 Items to be included in the meeting notice for convening virtual shareholders' meetings

When convening a video shareholders' meeting, the Company must specify the following items in the notice of meeting.

- I. The ways for shareholders to participate in a video meeting and exercise their rights.
- 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:

- (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.
  - (II) Shareholders who have not registered to participate in the affected shareholders' meeting online may not attend the postponed or resumed meeting.
  - (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 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.
  - (IV) When the results of all motions have been announced, and extraordinary motions have not yet been proceeded with, the way matters are handled.
- III. When convening a video shareholders' meeting, the appropriate alternative measures for shareholders with difficulties in participating in shareholders' meetings by video must also be specified.

**Article 7     The chair and non-voting participants of a shareholders' meeting**

Shareholders' meetings that are convened by the Board of Directors must be chaired by the chairperson. If the chairperson is on leave or cannot exercise his/her powers or perform his/her duties for any reason, the vice chairperson will act on his/her behalf. If there is no vice chairperson or if the vice chairperson is also on leave or cannot exercise his/her power or perform his/her duties for any reason, the chairperson may appoint one managing director to assume acting duty. If there is no managing director, one of the directors must be appointed to perform an acting duty; if no delegate is appointed by the chairperson, one must be appointed from among managing directors or directors.

The aforementioned position of the chair must be assumed by a managing director or director who has been on the board for more than six months and possesses an adequate understanding of the Company's financial and business performance. The same applies if the chair is a representative of a corporate director.

Shareholders' meetings that are convened by the Board of Directors should be chaired by the chairperson and attended personally by more than half of the board, with at least one

representative from each functional committee present at the meeting. Attendance of the above participants must be recorded in detail in the shareholders' meeting minutes.

For the meeting that is convened by the ones with the convening authority outside of the board, the meeting should be chaired by the convening authority. One person should be selected to chair the meeting if there are more than two present.

The Company may summon its lawyers, certified public accountants and any relevant personnel to be present at shareholders' meetings.

#### Article 8 Documentation of a shareholders' meeting by audio or video

The Company must make continuous audio and video recordings from the beginning of accepting shareholders' registrations until the end of the meeting to record the registration procedure and the entire meeting process.

These recordings must be retained for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of the Company Act, the abovementioned documents must be retained until the end of the litigation.

When convening a video 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.

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.

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.

#### Article 9 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, and the shares checked in on the video conference platform, plus the number of shares that have voting rights exercised in writing or through electronic means.

The chair must call the meeting to order at the appointed meeting time and disclose relevant information concerning the number of non-voting shares and the number of shares represented by shareholders attending the meeting.

However, if current attendance represents less than half of the Company's outstanding shares, the chair may announce that the meeting should be postponed 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. In the event of a virtual shareholders meeting, this Corporation must also declare the meeting adjourned at the virtual meeting platform.

If attending shareholders still represent more than one-third but less than half of 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 the next month. In the event of a virtual shareholders meeting, shareholders would have to re-register with the Company to attend the virtual meeting according to Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

**Article 10** For shareholders' meetings convened by the Board of Directors, the Board of Directors will determine the meeting agenda. All proposed motions must be voted on a case-by-case basis. The agenda may not be changed unless resolved during the shareholders' meeting.

For a meeting convened by the ones with the convening authority outside of the board, the aforementioned rule still applies.

In either of the two situations described above, the chair cannot dismiss the meeting while a motion (including special motion) is still in progress. If the chair violates the conference rules by adjourning the meeting when not allowed to do so, other members of the board must immediately assist the attending shareholders in electing another chair that has the support of more than half of voting rights represented on-site to continue the meeting.

The chair must allow adequate time to explain and discuss various motions, amendments or special motions proposed during the meeting. The chair may announce to discontinue further discussions if the issue in question is considered to have been sufficiently discussed to proceed with voting and must allocate ample time to vote.

**Article 11** Shareholders' speeches

Shareholders who wish to speak during the meeting must produce an opinion slip detailing the topic, shareholder ID (or the attendance ID serial number) and shareholder's name. The order of shareholders' comments is determined by the chair.

The attending shareholders are considered to offer no statement if they only provide speech notes without giving a statement. In the event where the content of the statement is inconsistent with the speech note, the content of the statement should prevail.

Each shareholder must speak no more than two times, for 5 minutes each, on the same motion unless otherwise agreed by the chair. The chair may stop shareholders from speaking if they violate any terms of the policy or speak outside the discussed topic.

When an attending shareholder is making a statement, other shareholders cannot speak unless given permission by the chairman and the speaking shareholder. Violators must be halted by the chairman.

Where a corporate shareholder has appointed two or more representatives to attend the shareholders' meeting, only one representative may speak per motion.

After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.

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.

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.

#### Article 12 Calculation of voting shares and recusal system

Votes in a shareholders' meeting are vested based on the number of shares represented.

Shares that do not carry voting rights are excluded from the calculation of outstanding shares when voting for the final resolution.

Shareholders cannot vote or appoint proxies to vote on any motions that present a conflict between their own interests and the interests of the Company.

The number of shares held by shareholders who are not permitted to vote must be excluded from the calculation of total voting rights.

With the exception of trust enterprises and certain share transfer agencies approved by the authority, a proxy may not represent more than 3% of the total voting rights in aggregate when representing two or more shareholders during the meeting. Voting rights that exceed this threshold must be excluded from the calculation.

#### Article 13 Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in Article 179, Paragraph 2 of the Company Act.

The Company must give shareholders the option to exercise voting rights in writing or using an electronic method during shareholders' meetings. Instructions for exercising voting rights in

writing or through electronic means must be stated clearly in writing on the meeting advice. Shareholders who have voted in writing or using the electronic method are considered to have attended the shareholders' meeting in person. However, they are considered to have waived their rights to participate in any special motion or any amendment to the original discussion that may arise during the shareholders' meeting. For this reason, the Company should avoid proposing special motions or amendments to the original motion where possible.

Instructions to exercise written and electronic votes must be delivered to the Company at least 2 days before the shareholders' meeting. In the event of duplicate submissions, the earliest submission must be taken into record. However, this excludes situations where a proper declaration is issued to withdraw the previous arrangement.

Shareholders who wish to attend the shareholders' meeting in person or through video conference 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, and by no later than two days before the day of shareholders' meeting. The written/electronic vote must prevail if not withdrawn before the cutoff time. If a shareholder 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.

Unless otherwise regulated by the Company Act or stated in the Articles of Incorporation, a motion is passed when supported by shareholders representing more than half of total voting rights in the meeting. When voting, each motion shall be voted on by shareholders on a case-by-case basis. After the conclusion of the meeting, the number of votes for and against and the number of abstentions for each proposal shall be entered into the MOPS on the same day the meeting is held.

In cases where several amendments or alternative solutions have been proposed at the same time, the chair must determine the order in which proposals are to be voted on. If one of the proposals has been passed, the other proposals are viewed as rejected and no more voting will be conducted.

The chair must appoint ballot examiners and ballot counters to support the voting process. The ballot examiner must be a shareholder.

Motion and election votes are to be counted openly at the shareholders' meeting. Results of the vote, including the final tally, must be announced on-site and recorded in minutes.

When the Company convenes an online shareholders' meeting via 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.

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.

When the Company convenes a 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.

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.

Article 14 Shareholders' meetings that involve elections of directors must proceed according to the Company's election policy. Results of the elections, including the list of elected directors and the numbers of votes with which they were elected, and the names of directors not elected and the number of votes they received must be announced on-site.

All ballots used in the above elections must be sealed and signed by the ballot examiner and held in proper custody for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of the Company Act, the abovementioned documents must be retained until the end of the litigation.

Article 15 Shareholders' meeting resolutions must be compiled into detailed minutes, signed or sealed by the chair and disseminated to all shareholders by no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.

The Company may disseminate meeting minutes by announcing details over MOPS.

The meeting minutes must accurately record the year, month, day, place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. Minutes must be retained for as long as the Company exists.

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 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.

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.

#### Article 16 Public disclosure

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 and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and must make an express disclosure of the same at the place of the shareholders' meeting. In the event of 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 information disclosed until the end of the meeting.

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.

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.

#### Article 17 Maintaining order at the meeting place

Staff handling the administrative affairs of a shareholders' meeting must wear identification cards or armbands.

The chair may instruct security staff to help maintain order in the meeting. While maintaining order in the meeting, all security staff are required to wear arm badges that identify their role as "Security."

For venues that are equipped with broadcasting equipment, the chair must halt any shareholder that makes statements from equipment not allocated by the Company.

Shareholders who violate the rules and disobey corrections by the chair to disrupt the meeting are asked to leave the venue and will be escorted out by the proctors or the security personnel.

#### Article 18 Recess and resumption of a shareholders' meeting

The chair may declare the meeting in recess at appropriate times. In the event of force majeure, the chair may suspend the meeting temporarily and resume at another time.

If the shareholders' meeting is unable to conclude all scheduled motions before the venue is due for return, participants may resolve to continue the meeting at an alternative location.

Shareholders may also resolve to postpone or resume the meeting within the next 5 days, according to Article 182 of the Company Act.

**Article 19** In the event of a video shareholders' 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.

**Article 20** Location of the chair and secretary of virtual-only shareholders' meeting  
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.

**Article 21** Handling of disconnection  
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.

In the event of a video 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 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 cannot apply.

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.

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 represented at the postponed or resumed session.

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.

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.

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 abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

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.

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.

**Article 22 Handling of the digital divide**

When convening an online shareholders' meeting, the Company must provide appropriate alternative measures available to shareholders with difficulties in participating in shareholders' meetings by video.

**Article 23 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.**

These Rules were established on August 20, 2021.

The first amendment was made on June 15, 2023.

### <Appendix III>

#### **TSG Star Travel Corp. All Directors' Shareholding**

Position	Name		Current shareholding (Note 1)	
			Number of shares	Ratio
Chairperson	Hou Yu-Lin		1,345,163	1.957%
Director	Taiwan Health & Exercise Investment Co. Ltd. Representative:	Chen He-Shun	2,750,000	4.000%
		Xie Yi-Jin	2,750,000	4.000%
		Hsieh Wen-Fang	2,750,000	4.000%
		Wu Yi-Ching	2,750,000	4.000%
Independent Director	Hong Ren-Jie		0	0.000%
	Hung Yu-Ting		0	0.000%
	Chen,Hou-Dian		0	0.000%
Total			4,095,163	5.957%

[Note]

- Shareholdings of individual and all directors recorded in the shareholder register as of the date of suspension of share transfer (April 21, 2024) for the 2024 annual general meeting.
- The regulated legal amount for the Company's current directors is as follows:
  - Total outstanding shares on April 21, 2024: 68,742,100 ordinary shares.
  - The legal number of shares to be held by all directors is 5,499,368 shares. The number of shares held by all directors as of April 17, 2023, is 4,095,163 shares.
  - The Company has an Audit Committee. Thus, the legal number of shares to be held by supervisors is not applicable.
  - The shares held by all directors of the Company are in compliance with the standard prescribed in the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies."