

Stock Code: 5706



PHOENIX TOURS™
鳳凰旅遊

Phoenix Tours International, Inc.

2025 Annual General Meeting

Meeting Manual

Meeting method: Physical venue

Meeting date: June 03, 2025

Floor 10, No. 25, Section 1, Chang-An East Road, Taipei City
(National Association of Construction Site Supervisors)

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Phoenix Tours International, Inc.
Procedures for 2025 Annual General Meeting of Shareholders

- I. Call the meeting to order
- II. Chairman's address
- III. Report items
- IV. Acknowledgement
- V. Discussion Item
- VI. Provisional Motion
- VII. End of meeting

Phoenix Tours International, Inc.

Meeting Agenda for the 2025 Annual General Meeting

Meeting method: Physical venue

Time: 09:00 am, June 03, 2025

Venue: Floor 10, No. 25, Section 1, Chang-An East Road, Taipei City
(National Association of Construction Site Supervisors)

Attendance: All shareholders and equity representatives

Chairperson: William Chang, Chairman of the Board of Directors

I. Call the meeting to order

II. Chairman's Address

III. Report items

- (1) 2024 Business Report.
- (2) Audit Committee's Review Report on the 2024 Financial Statements.
- (3) Report on the Distribution of Directors' and Employees' Remuneration for 2024.
- (4) Report on Directors' Remuneration for the Fiscal Year 2024.

IV. Acknowledgement items

- (1) Adoption of the 2024 Business Report and Financial Statements.
- (2) Approval of the 2024 Earnings Distribution Proposal.

V. Discussion Items

- (1) Proposal for Capitalization of Earnings through Issuance of New Shares.
- (2) Proposal for Amendment to the Company's Articles of Incorporation.

VI. Provisional Motion

VII. End of meeting

Report Items

Item 1: The 2024 Annual Business Report is presented for public inspection.

Note: Please refer to Attachment 1 in this manual, pages 9-11, for the 2024 Annual Business Report.

Item 2: The Audit Committee's review report on the 2024 Financial Statements is presented for public inspection.

Note: Please refer to Attachment 2 in this manual, page 12, for the Audit Committee's review report on the 2024 Financial Statements.

Item 3: Report on the Allocation of Director and Employee Remuneration for the Fiscal Year 2024.

Note: In accordance with Article 21 of the company's articles of association, if the company generates profits annually, it shall allocate employee remuneration not less than 2 percent and director remuneration not exceeding 1.5 percent. The board of directors of the company has decided to approve the proposed distribution of employee remuneration in the amount of NT\$7,450,412 in cash and director remuneration in the amount of NT\$5,587,809 in cash.

Item 4: Report on the Payment of Directors' Remuneration for Fiscal Year 2024

Note: In accordance with the Company's Articles of Incorporation, directors' remuneration shall be determined by the Board of Directors based on the level of their involvement in the Company's operations, the value of their contributions, and with reference to domestic and international industry standards.

1. Pursuant to the Company's Articles of Incorporation, directors' remuneration is determined by the Board of Directors based on their degree of participation in company operations, the value of their contributions, and in consideration of domestic and international industry benchmarks.
2. The Articles also stipulate that if the Company records a profit for the fiscal year, directors' remuneration may not exceed 1.5% of the profits. However, if the Company has accumulated losses, such losses must first be covered before distributing any remuneration.
3. Details and amounts of directors' remuneration for Fiscal Year 2024 can be found in Attachment 3, page 13 of this manual.

Acknowledgement

Acknowledgement (1)

Proposed by the Board of Directors

Subject: Adoption of the 2024 business report and financial statements.

Descriptions: For the 2024 business report and financial statements, please refer to page 9~11 Attachment 1 and page 14~31 Attachment 4 &5 of the handbook. They have been approved by the board resolution and reviewed by the Audit Committee, and are submitted to the annual general meeting of shareholders for ratification in accordance with the provisions of Paragraph 1, Article 230 of the Company Act.

Resolution:

Acknowledgement (2)

Proposed by the Board of Directors

Subject: Adoption of the proposal for distribution of 2024 profits. Descriptions:

Descriptions: The profit distribution table for 2024 is shown as follows:

Phoenix Tours International, Inc. 2024 Annual Profit Distribution Table

Unit: NTD

Items	Amount
Opening retained earnings	42,814,233
Add: Current net income	301,723,901
Add: Disposal of equity instruments measured at fair value through other comprehensive income	36,277,889
Less: Difference Between Acquisition Cost and Book Value of Subsidiary Shares	(491,908)
Subtotal	380,324,115
Distributions:	
Legal reserve (10%)	(33,750,988)
Shareholder bonus - Cash (NT\$2.75 per share)	(222,385,743)
Shareholder bonus - Shares (NT\$0.5 per share)	(40,433,770)
Undistributed earnings at the end of the period	83,753,614

Chairman:

William Chang

General Manager:

Benjanmin Bien

Chief Financial Officer:

Annie Chou

Resolution:

Discussion Item

Proposal (1)

Proposed by the Board of Directors

Subject: Capital Increase through Surplus Retained Earnings by Issuing New Shares Proposal.

Description: (1) In order to replenish working capital and strengthen the capital structure, the company intends to distribute shareholder stock dividends totaling NT\$40,433,770 and issue new shares through capital increase from retained earnings.

- (2) The total number of new shares issued in this capital increase is 4,043,377 shares, with a par value of NT\$10 per share issued as common stock. The distribution will be calculated based on the shareholders' holdings as recorded in the shareholder registry on the new shares issuance reference date. For every one thousand shares held, shareholders will receive 50 shares free of charge. For fractional shares less than one, shareholders may, within five days from the record date for the cessation of stock transfer, complete the registration of rounding up to whole shares through the company's stock transfer agent. Any fractional shares not rounded up within the specified period will be cashed out at face value until the nearest unit (disregarding fractions), and the Chairman is authorized to negotiate with specific individuals for subscription at face value. In line with the operation of book-entry transfer, the fractional share payments will be offset against the fees for shareholders who receive shares through book-entry transfer.
- (3) In the event that the company subsequently has the right to participate in changes in the number of shares distributed, affecting the dividend per share for shareholders, the Chairman is authorized to handle it.
- (4) The rights and obligations of the new shares issued this time are the same as those of the existing shares.
- (5) This proposal to issue new shares through capital increase from retained earnings has been submitted to the regular shareholders' meeting for approval and has been approved by the competent authority. The board of directors will set a separate ex-rights date and handle the issuance of new shares. If there are changes due to legal requirements, revisions approved by the competent authority, or adjustments required due to objective circumstances, it is proposed that the Chairman be authorized by the shareholders' meeting to handle them accordingly. Phoenix International Travel Service Co., Ltd.

Resolution:

Proposal (2)

Proposed by the Board of Directors

Subject: Proposal to Amend the Articles of Incorporation – For Approval.

Description: (1) In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, the Articles of Incorporation must specify a policy for allocating a certain percentage of annual earnings to adjust salaries or distribute compensation to grassroots employees. It is proposed to add relevant provisions accordingly.

(2) For details, please refer to the comparison table of the amended articles in Attachment 6, page 32.

Resolution:

Provisional Motion

End of meeting

Phoenix Tours 2024 Business Report

I. 2024 Business Report

As the global travel industry enters the second year following the end of the pandemic, major travel routes have largely returned to normal, and flight availability has become increasingly comprehensive, with the introduction of new destinations and added flight frequencies. The rigid demand for travel remains strong. Phoenix Tours continues to meet consumer needs across all its travel product lines by introducing new travel elements and optimizing service procedures, aiming to aggressively capture the group travel market.

In addition, there has been a noticeable increase in demand for high-end travel experiences in the post-pandemic era. Rare and exclusive travel elements have attracted the attention of premium travelers. Capitalizing on this trend, Phoenix Tours has launched high-end products such as Antarctic cruises, European river cruises, and Northern Lights tours in Europe, the US, and Canada — all of which have been well received by customers.

In 2024, Phoenix Tours was honored with the 33rd Annual Travel Award by Asia's leading travel media, TTG Asia. This marks the 16th time Phoenix Tours has received this prestigious international recognition. After being inducted into the Travel Hall of Fame in 2023, Phoenix continues to set milestones in Taiwan's tourism industry. At the Taiwan Quality Assurance Golden Travel Awards, Phoenix Tours Group garnered eight Golden Awards and four Excellent Tour Selection honors, with its product quality highly praised by both industry experts and consumers. These high-quality offerings and services serve as the company's greatest competitive advantage.

In the past year, the travel market continued to grow, despite rising airfares and inflation pushing up travel costs and group tour prices. By seizing growth opportunities and through the concerted efforts of all employees, the company achieved record-high revenues since its listing.

Key Operating Highlights for FY 2024:

Total consolidated operating revenue for the year reached NT\$3,144.52 million, an increase of NT\$941.87 million or 42.76% compared to NT\$2,202.65 million in 2023.

Consolidated operating profit was NT\$230.36 million, up NT\$47.09 million or 25.69% from NT\$183.27 million the previous year.

Consolidated non-operating income totaled NT\$143.74 million, a significant increase of NT\$111.83 million or 350.45% from NT\$31.91 million in 2023.

Net profit attributable to the parent company was NT\$301.72 million, with earnings per share (EPS) of NT\$3.75.

II. Future Outlook

1. Expand charter flight and cruise operations to drive growth momentum.
2. Diversify tour product offerings, staying aligned with current trends.
3. Implement flexible marketing strategies to balance peak and off-peak demand.
4. Cater to the high-end travel market.
5. Compete for incentive travel groups.
6. Complete the Sustainability Report and promote eco-friendly tourism.

III. Analysis of Each Route

A. Europe

Post-pandemic recovery has driven continued demand for European travel. Although the Paris Olympics has led to higher costs and difficulties in operating tours to France between July and September, other European destinations remain attractive. Seasonal elements — from spring flowers to Christmas markets — along with gourmet food, scenic views, rail tourism, and luxury shopping, continue to captivate travelers. In recent years, the pursuit of the Northern Lights and Nordic winter experiences has added charm to off-peak European travel.

B. Australia & New Zealand

Airfares and operational costs continue to rise in the region, keeping tour prices at a premium. Demand for Australia focuses on major eastern cities, with co-branded tour operations increasing group volume. New Zealand remains popular for its pristine nature, with core itineraries spanning 10–13 days. Long-term cooperation with Air New Zealand ensures seat availability and boosts sales.

C. North America

Due to high FIT (Free Independent Traveler) seat demand, group tour seats are limited. Early booking of peak season seats is crucial. Costs for food, accommodation, and transport have risen sharply compared to pre-pandemic levels. Product focus includes national parks, Northern Lights tours in Canada, and South America itineraries. The new Seattle route adds depth to West Coast offerings.

D. Cruises

Phoenix chartered a total of 26 sailings on the Costa Cruise from Keelung, with strong sales reflecting the appeal of Japan-Korea cruise tourism and the novelty and comfort of cruises. Other popular options include Resorts World Cruises and MSC Bellissima. Flight-cruise packages in popular regions are now available as the market recovers. The premium Antarctic cruise in 2024 was successfully completed, with positive feedback laying the groundwork for future charters.

E. Ancient Civilizations

Key destinations include Turkey, Greece, Egypt, and Morocco. The allure of Islamic culture continues to attract travelers. Post-pandemic group travel volume has grown steadily, aided by increased flights. New itineraries in North Africa, such as Tunisia, offer more diverse options.

F. Central Asia

Direct flights to India have not resumed; tours are currently routed via Hong Kong (CX). Consumer demand remains uncertain. Nepal and Sri Lanka are the main destinations, though competition has intensified. New tours to Uzbekistan, Mongolia with Lake Baikal, mini-groups to Dubai, and other Middle Eastern routes are being developed to meet diverse market needs and boost revenue.

G. Mainland China

A brief lifting of Taiwan's group travel ban to China from March to May allowed for seasonal flower tours in Yunnan, Jiangsu, Fujian, etc., using limited airport routes and high-speed rail extensions. Popular destinations like Jiangnan, Huangshan, Zhangjiajie, the Yangtze River, Jiuzhaigou, and Xinjiang still attract visitors. Continued cross-strait goodwill may help restore the once-thriving travel market.

H. Southeast Asia

FIT demand for Da Nang and Hanoi declined; corporate and incentive tours dominate. Phu Quoc Island saw strong sales post-pandemic but cooled in Q3. Airlines including VietJet, Starlux, Tigerair, and Bamboo Airways have cut or suspended routes, leading to more conservative supply. Other destinations like Bali, Bangkok, Singapore, and the Philippines continue to be marketed through mini-group, family, Instagram-worthy, honeymoon, golf, and luxury hotel packages to meet market demand.

I. Northeast Asia

Japan:

Travel to Japan continues to rise. To meet demand, additional flights have been launched from Taichung and Kaohsiung by local carriers. Charter flights to second- and third-tier cities play a crucial role in group tours. However, high airfares, booming domestic tourism, and nationwide events, combined with labor shortages, have driven up food, lodging, and transport costs. Intense competition from numerous charters means that distinctive, themed itineraries are key to attracting travelers.

South Korea:

The surge in FIT travel has reduced group tour seats. Strong outbound demand from Korean travelers has led to increased regional airline routes to destinations like Suncheon, Yeosu, Cheongju, Andong, Danyang, and Jeju, creating new travel combinations. Mini-groups to Seoul, Busan, and Jeju are also being promoted to meet market demands.

J. Domestic Travel

As outbound travel grows, demand for domestic tourism has declined. The April 3rd Hualien earthquake also shook consumer confidence in local travel, resulting in a noticeable drop in traveler numbers. Sales of Taiwan High-Speed Rail products have become a key domestic travel item, with continued growth in package and group ticket sales.

K. Themed Travel

Phoenix continues to promote European river cruises in collaboration with luxury cruise line UNI WORLD, offering itineraries along the Rhine, Danube, Rhône, and more. These products meet the needs of the high-end market and attract travelers who value European culture and refined travel experiences. They are also favored by organizers of high-end incentive tours, with growing demand for full-ship charters.

Chairman:

William Chang

General Manager:

Benjanmin Bien

Chief Financial Officer:

Annie Chou

Phoenix Tours International, Inc.

Audit Committee Report

The board has prepared and submitted the 2024 business report, financial reports (parent-only and consolidated financial reports), proposal for earnings distributions, etc., among which the financial reports (parent-only and consolidated financial reports) have been audited and verified by accountants Shu-Ling Liang and Wei-Pu Hou of Diwan & Company. The abovementioned business report, financial reports (parent-only and consolidated financial reports) and proposal for earnings distributions have been reviewed and determined to be correct and accurate by the Audit Committee. According to Article 14-4 and Article 36 of the Securities and Exchange Act and Article 219 and Article 228 of the Company Act, we hereby submit this report.

Phoenix Tours International, Inc.

Convener of the Audit Committee: L.C. Kuo

March 07, 2025

Remuneration for directors (including independent directors)

Unit: In Thousands of New Taiwan Dollars

Title	Name	Directors' remuneration								Total Remuneration (A+B+C+D) as a % of the Net Income	Remuneration for concurrent position as an employee												Whether receive remuneration from non-consolidated affiliates			
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances for Operations (D)			Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employees' Profit Sharing Bonus (G)			Number of Shares Subscribed Through Employee Stock Options (H)		Number of Shares of Employee Restricted Stocks (I)		Total Compensation (A+B+C+D+E+F+G) as a % of the Net Income				
		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	Amount of Cash	Amount of stock	Amount of Cash	Amount of stock	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report	The Company	All Companies in the Financial Report		
President	William Chang	0	0	0	0	621	723	50	100	671 0.22%	823 0.27%	104	1,778	0	0	0	0	184	0	0	0	0	775 0.26%	2,785 0.90%	None	
Director	Jimmy K. M. Chang	0	0	0	0	621	651	50	70	671 0.22%	721 0.27%	509	509	0	0	48	0	0	0	0	0	0	0	1,228 0.41%	1,230 0.40%	None
Director	Joe T. H. Chiu	120	120	0	0	621	638	50	70	791 0.26%	828 0.26%	0	0	0	0	0	0	0	0	0	0	0	0	791 0.26%	828 0.27%	None
Director	Pei Wen Wu	120	120	0	0	621	621	50	50	791 0.26%	791 0.26%	0	0	0	0	0	0	0	0	0	0	0	0	791 0.26%	791 0.26%	None
Director	Jonny Tseng	120	120	0	0	621	621	50	50	791 0.26%	791 0.26%	0	0	0	0	0	0	0	0	0	0	0	0	791 0.26%	791 0.26%	None
Director	Eric Kai	120	120	0	0	621	621	50	50	791 0.26%	791 0.26%	0	0	0	0	0	0	0	0	0	0	0	0	791 0.26%	791 0.26%	None
Independent Director	Alan J.T. Chien	120	120	0	0	621	621	130	130	871 0.29%	871 0.29%	0	0	0	0	0	0	0	0	0	0	0	0	871 0.29%	871 0.28%	None
Independent Director	L.C. Kuo	120	120	0	0	621	621	130	130	871 0.29%	871 0.29%	0	0	0	0	0	0	0	0	0	0	0	0	871 0.29%	871 0.28%	None
Independent Director	T.S. Chen	120	120	0	0	621	621	130	130	871 0.29%	871 0.29%	0	0	0	0	0	0	0	0	0	0	0	0	871 0.29%	871 0.28%	None

1. Please state the policy, system, standards and structure of remuneration payments to independent directors, and describe the relationship between the responsibility, risk, time committed to the organization and other factors and the amount of remuneration to them:

The remuneration to the independent directors is subject to the Company's measures for director remuneration, and is in line with market salary survey data and the standard of industry peers, and is based on the market average. The compensation and business execution expenses are fixed, and director remuneration is divided equally among all directors.

2. In addition to the disclosure shown in the above table, the remuneration received by the directors for their service provided to all companies listed in the financial reports in the most recent fiscal year: None.

2024 Independent Auditor's Report - Consolidated



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Independent Auditors' Report

To Phoenix Tours International, Inc.:

Opinion

We have audited the accompanying consolidated balance sheets of Phoenix Tours International, Inc. and its subsidiaries (hereinafter referred to as Phoenix Tours) as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 2023, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Phoenix Tours as of December 31, 2024 and 2023, and the consolidated financial performance and cash flows for the years ended December 31, 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. 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 Phoenix Tours in accordance with the Professional Ethics for Certified Public Accountant 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 issues are those that, in our professional judgment, were of most significance in Phoenix Tours audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We

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have determined the following key audit matters:

Revenue Recognition

For the accounting policies on operating revenue, refer to Note IV.17 of the consolidated financial statements. For the description of operating revenue items, refer to Note VI.25 of the consolidated financial statements.

Phoenix Group's revenue mainly comes from various travel services, room services, domestic transportation services, air passenger and cargo agency services, acting as an agent for domestic insurance contract sales, food court operations, ticketing agency services, and other related activities. For each transaction, it is necessary to determine whether the Group acts as a principal or an agent, in order to decide whether revenue should be recognized on a gross or net basis. As for the timing of revenue recognition, revenues from group tours, land transportation, and room services are recognized progressively over time, while other service revenues are recognized based on the terms of service provision. Since revenue recognition in gross or net amount and the cut-off point for revenue recognition are important matters and have an impact on the financial performance of Phoenix Tours, we have listed revenue recognition as a key audit matter.

Relevant audit procedures performed by us include understanding Phoenix Tours's business and collection processes, testing internal controls related to revenue recognition, reviewing transaction terms of business contracts for various business models, performing revenue cut-off testing, and performing analytical procedures.

Other matters

We have audited and expressed an unqualified opinion on the parent company only financial statements of Phoenix Tours as of and for the years ended December 31, 2024 and 2023.

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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial

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Supervisory Commission of the Republic of China, 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 Phoenix 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 the audit committee, are responsible for overseeing Phoenix Group's financial reporting process.

Auditor's 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 from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. 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 auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- I. 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.

- II. Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an

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opinion on the effectiveness of the Phoenix Group's internal controls.

III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

IV. 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 Phoenix 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 auditor's 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 auditor's report. However, future events or conditions may cause Phoenix Group to cease to continue as a going concern.

V. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

VI. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the corporate 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.

The planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Phoenix Group's consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in

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Diwan & Company

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our auditor's 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.

Diwan & Company
Financial Supervisory Commission Approval
Document Number:
Jin-Guan-Zheng-Shen-Zhi #0990071790
Jin-Guan-Zheng-Shen-Zhi #1070312218

Jui-Yen Tseng

Accountants:
Audrey Tseng

March 7, 2025

Phoenix Tours International, Inc. and Subsidiaries
 Consolidated Balance Sheet
 December 31, 2024 and December 31, 2023
 (Expressed in Thousands of New Taiwan Dollars)

Code	Assets	Notes	December 31, 2024		December 31, 2023		Financial liabilities and equity		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%	Code	Assets		Amount	%	Amount	%
11xx	Current assets						21xx	Current liabilities					
1100	Cash and cash equivalents	IV and VI.1	\$ 236,887	7	\$ 295,989	9	2102	Bank loan	IV, VI.12, VI.32 and VIII	\$ 784,000	23	\$ 603,900	19
1110		IV and VI.2					2111	Short-term notes payable	IV, VI.13, VI.32 and VIII	14,986	-	179,854	6
1120	Financial assets measured at fair value through profit or loss - Current	IV, VI.3 and VIII	390,218	11	393,045	13	2120	Financial liabilities at fair value through profit or loss -- Current		-	-	17,100	1
1150	Financial assets at fair value through other comprehensive income - Current	IV, VI.3 and VIII	1,283,589	37	987,384	31	2130	Contract liabilities - Current	IV and VI.25	489,465	14	385,872	12
1170	Notes receivable, net	IV, V and VI.4	43,057	1	52,568	2	2150	Notes payable	IV	3,876	-	19,357	1
1200	Accounts receivable, net	IV, V and VI.5	44,085	1	30,782	1	2170	Accounts payable	IV	61,685	2	68,271	2
1220	Other receivables	IV, V, VI.2 and VI.16	652	-	32,135	1	2200	Other payables	IV and VI.11	51,206	1	73,414	2
1410	Current tax assets	IV and VI.30	122	-	1,013	-	2230	Tax liability	IV and VI.30	35,575	1	37,153	1
1476	Prepayments	VI.6	246,757	7	230,873	7	2280	Lease liabilities - Current	IV, VI.10, VI.14 and VI.32	9,120	-	8,658	-
	Other financial assets - Current	IV, VI.7 and VIII	12,086	1	36,027	1	2322	Long-term borrowings maturing within one year	IV, VI.15, VI.32 and VIII	34,450	1	128,552	4
	Total current assets		2,257,453	65	2,059,816	65	2399	Other current liabilities		21,693	1	16,349	1
								Total current liabilities		1,506,056	43	1,538,480	49
15xx	Non-current assets							Non-current liabilities					
1600	Property, plant and equipment	IV, VI.8 and VIII	1,053,298	31	541,163	17	25xx	Long-term bank loans	IV, VI.15, VI.32 and VIII	1,597	-	40,130	2
1755	Right-of-use assets	IV, VI.9 and VIII	95,474	3	101,096	3	2570	Deferred tax liabilities	IV and VI.30	11,494	1	6,188	-
1760	Investment property	IV, VI.10 and VIII	18,916	1	396,187	14	2580	Lease liabilities - Non-current	IV, VI.10, VI.14 and VI.32	90,912	3	100,032	3
1780	Intangible assets	IV, V and VI.11	9,915	-	9,114	-	2645	Guarantee deposits		1,061	-	799	-
1840	Deferred tax assets	IV, V and VI.30	12,849	-	14,212	-		Total non-current liabilities		105,064	4	147,149	5
1920	Refundable deposits	VI.2	13,284	-	29,182	1	2xxx	Total liabilities		1,611,120	47	1,685,629	54
1984	Other financial assets - Non-current	IV, VI.7 and VIII	2,860	-	420	-							
	Total non-current assets		1,206,596	35	1,091,374	35							
1xxx	Total liabilities and equity		\$ 3,464,049	100	\$ 3,151,190	100	31xx	Equity attributable to the parent					
							3100	Share capital					
							3110	Common stock	IV and VI.17	810,815	23	737,670	23
							3200	Capital surplus	VI.18	183,081	5	183,167	6
							3300	Retained earnings					
							3310	Legal reserve	VI.19	255,355	7	232,976	7
							3320	Special reserve	VI.20	-	-	33,179	1
							3350	Unappropriated earnings	VI.21	380,324	11	251,452	8
							3400	Others					
							3410	Exchange differences on translation of foreign operations	IV, VI.22 and VI.29	(321)	-	(1,202)	-
							3420	Unrealized gain or loss on financial assets measured at fair value through other than cash flows	IV, VI.22 and VI.29				
							3500	Treasury stock	IV and VI.23	191,759	6	2,162	-
									(18,283)	(1)	(18,283)	(1)	
							36xx	Equity attributable to shareholders of the parent company		1,802,730	51	1,421,121	44
								Non-controlling interests	VI.24	50,199	2	44,440	2
								Total equity		1,852,929	53	1,465,561	46

(See notes to consolidated financial statements)

Chairman: William Chang

Managerial officer: Benjamin Pien

Chief Financial Officer: Annie Chou

Phoenix Tours International, Inc. and Subsidiaries
 Consolidated Statement of Comprehensive Income
 January 1 to December 31, 2024
 and January 1 to December 31, 2023
 (Expressed in thousands of New Taiwan Dollars, except for earnings per share)

Code	Assets	Notes	2024		2023	
			Amount	%	Amount	%
4100	Net revenue	IV, VI.25 and VII	\$ 3,144,520	100	\$ 2,202,650	100
5000	Operating cost	IV and VI.26	(2,684,636)	(85)	(1,833,894)	(83)
5900	Gross profit		459,884	15	368,756	17
6000	Operating expenses	IV and VI.26				
6100	Sales and marketing expenses		(173,650)	(5)	(141,611)	(7)
6200	General and administrative expenses		(56,609)	(2)	(49,989)	(2)
	Subtotal		(230,259)	(7)	(191,600)	(9)
6500	Other revenues and expenses, net	IV, VI.26 and VI.27	732	-	6,113	-
6900	Operating income		230,357	8	183,269	8
7000	Non-operating income and expenses					
7020	Other gains and losses	IV, VI.16, VI.26 and VI.28	40,059	1	30,901	2
7050	Finance costs	IV and VI.28	(10,777)	-	(13,460)	(1)
7055	Expected loss on credit impairment	IV, VI.2 and VI.28	-	-	(33,617)	(2)
7100	Interest income	IV and VI.28	4,048	-	2,904	-
7130	Dividend income	IV, VI.3 and VI.28	39,693	1	31,935	2
7235	Financial assets (liabilities) at fair value through profit or loss	IV, VI.2 and VI.28				
	Net gain		70,721	2	13,244	1
	Subtotal		143,744	4	31,907	2
7900	Net profit before tax from continuing operations		374,101	12	215,176	10
7950	Income tax expense	IV and VI.30	(65,734)	(2)	(36,923)	(2)
8200	Net income		308,367	10	178,253	8
8300	Other comprehensive income	IV, VI.3 and VI.29				
	Not to be reclassified to profit or loss in subsequent periods:					
8316						
	Unrealized gains (losses) from investments in equity instruments measured at fair value		225,715	7	80,262	4
8399	Income tax related to items that will not be reclassified		-	-	-	-
	Total		225,715	7	80,262	4
	To be reclassified to profit or loss in subsequent periods:					
8361	Exchange differences on translation of foreign operations		1,583	-	(913)	-
8399	Relevant income tax for items that will be reclassified:		-	-	-	-
	Total		1,583	-	(913)	-
	Total other comprehensive(loss)income, net of tax		227,298	7	79,349	4
8500	Total comprehensive income		\$ 535,665	17	\$ 257,602	12
8600	Net income attributable to:					
8610	Shareholders of the parent company		\$ 301,724	10	\$ 178,174	8
8620	Non-controlling interests		6,643	-	79	-
	Net income		\$ 308,367	10	\$ 178,253	8
8700	Total comprehensive income attributable to:					
8710	Shareholders of the parent company		\$ 528,479	17	\$ 257,927	12
8720	Non-controlling interests		7,186	-	(325)	-
	Total comprehensive income		\$ 535,665	17	\$ 257,602	12
	Earnings per share (NT\$)					
9750	Basic earnings per share (NT\$)	IV and VI.31	\$ 3.75		\$ 2.21	
9850	Diluted earnings per share (NT\$)	IV and VI.31	\$ 3.74		\$ 2.21	

(See notes to consolidated financial statements)

irman: William Chang

Managerial officer: Benjamin Pien

Chief Financial Officer: Annie C

Phoenix Tours International, Inc. and Subsidiaries
 Consolidated Statement of Changes in Equity
 January 1 to December 31, 2024
 and January 1 to December 31, 2023
 (Expressed in Thousands of New Taiwan Dollars)

Items	Equity attributable to the parent									Non-controlling interests	Total Equity		
	Share capital	Capital surplus	Retained earnings			Other Components of Equity		Treasury stock	Total				
			Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gain or loss on financial assets measured at fair value through other comprehensive income						
Balance at January 1, 2023	\$ 737,670	\$ 205,086	\$ 231,036	\$ -	\$ 62,783	\$ (714)	\$ (32,465)	\$ (18,283)	\$ 1,185,113	\$ 27,655	\$ 1,212,768		
Appropriations and distributions of 2022 earnings (Note VI.21):													
Legal reserve	-	-	1,940	-	(1,940)	-	-	-	-	-	-		
Allocated special reserve	-	-	-	33,179	(33,179)	-	-	-	-	-	-		
Distribution of cash dividends from capital reserve	-	(21,944)	-	-	-	-	-	-	(21,944)	-	(21,944)		
Difference between actual acquisition price and carrying value	-	25	-	-	-	-	-	-	25	(25)	-		
Disposal of equity instruments measured at fair value through other comprehensive income													
2023 net income	-	-	-	-	45,614	-	(45,614)	-	-	-	-		
2023 other comprehensive income	-	-	-	-	178,174	-	-	-	178,174	79	178,253		
2023 total comprehensive income	-	-	-	-	-	(488)	80,241	-	79,753	(404)	79,349		
Increase in non-controlling interest	-	-	-	-	178,174	(488)	80,241	-	257,927	(325)	257,602		
Balance at December 31, 2023	737,670	183,167	232,976	33,179	251,452	(1,202)	2,162	(18,283)	1,421,121	44,440	1,465,561		
Appropriations and distributions of 2023 earnings (Note VI.21):													
Legal reserve	-	-	22,379	-	(22,379)	-	-	-	-	-	-		
Reversal of special reserves	-	-	-	(33,179)	33,179	-	-	-	-	-	-		
Cash dividends for shareholders	-	-	-	-	(146,292)	-	-	-	(146,292)	-	(146,292)		
Stock dividends for shareholders	73,145	-	-	-	(73,145)	-	-	-	-	-	-		
Difference between actual acquisition price and carrying value	-	(86)	-	-	(492)	-	-	-	(578)	-	(578)		
Disposal of equity instruments at fair value through other comprehensive income													
Equity instrument measured	-	-	-	-	36,277	-	(36,277)	-	-	-	-		
2024 net income	-	-	-	-	301,724	-	-	-	301,724	6,643	308,367		
2024 other comprehensive income	-	-	-	-	-	881	225,874	-	226,755	543	227,298		
2024 total comprehensive income	-	-	-	-	301,724	881	225,874	-	528,479	7,186	535,665		
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,427)	(1,427)		
Balance at December 31, 2024	\$ 810,815	\$ 183,081	\$ 255,355	\$ -	\$ 380,324	\$ (321)	\$ 191,759	\$ (18,283)	\$ 1,802,730	\$ 50,199	\$ 1,852,929		

(See notes to consolidated financial statements)

Chairman: William Chang

Managerial officer: Benjamin Pien

Chief Financial Officer: Annie Chou

Phoenix Tours International, Inc. and Subsidiaries
 Consolidated Statement of Cash Flows
 January 1 to December 31, 2024
 and January 1 to December 31, 2023
 (Expressed in Thousands of New Taiwan Dollars)

Items	2024	2023
Cash flows from operating activities:		
Profit before tax from continuing operations	\$ 374,101	\$ 215,176
Net income before tax		
Adjustments to reconcile profit (loss)		
Depreciation	21,552	19,797
Amortization expenses	65	-
Expected loss on credit impairment	-	33,617
Net gains/(losses) on financial assets (liabilities) at fair value thru	(70,721)	(13,244)
Interest expense	10,777	13,460
Interest income	(4,048)	(2,904)
Dividend income	(39,693)	(31,935)
Loss on disposal of property, plant and equipment (gain)	24	(286)
Unrealized exchange loss	2,244	467
Changes in operating assets and liabilities		
Financial assets and debts mandatorily measured at fair value thr	56,448	(83,397)
Notes receivable	9,511	(7,885)
Accounts receivable	(13,303)	(14,405)
Other receivables	13,847	(357)
Prepayments	(30,386)	(57,609)
Other current assets	-	19
Contract liabilities - Current	103,593	196,732
Notes payable	(15,481)	(17,587)
Accounts payable	(7,938)	29,822
Other payables	(5,296)	21,890
Other current liabilities	5,344	(15,694)
Cash flow from operating activities	410,640	285,677
Interest received	4,048	2,982
Dividends received	39,653	31,935
Interest paid	(10,777)	(13,460)
Income tax paid	(59,752)	(1,210)
Net cash flow from operating activities	383,812	305,924
Cash flows from investing activities:		
Acquisition of financial assets measured at fair value through other cor	(292,891)	(199,605)
Disposal of financial assets measured at fair value through other comp	237,580	187,402
Increase in prepayments for investments	-	(14,502)
Decrease (increase) in other financial assets	21,750	(21,925)
Acquisition of property, plant and equipment	(163,587)	(122,392)
Proceeds from disposal of property, plant and equipment	13,350	286
Acquisition of intangible assets	(779)	-
Decrease (increase) in refundable deposits	15,898	(16,283)
Net cash used in investing activities	(168,679)	(187,019)
Cash flows from financing activities:		
Bank borrowings	784,000	603,900
Repayment of bank borrowings	(603,900)	(646,500)
Decrease in short-term notes payable	(164,868)	(31)
Long-term bank borrowings	2,920	27,080
Repayment of long-term bank borrowings	(135,555)	(85,551)
Increase (decrease) in guarantee deposit	262	(5,339)
Repayment of principal of lease liabilities	(8,658)	(8,134)
Acquisition of equity in subsidiaries	(1,669)	-
Changes in non-controlling interests	(336)	17,135
Cash dividends paid	(146,292)	(21,944)
Net cash outflow generated by financing activities	(274,096)	(119,384)
Effect of exchange rate changes on cash and cash equivalents	(139)	(1,157)
Net decrease in cash and cash equivalents	(59,102)	(1,636)
Cash and cash equivalents at beginning of year	295,989	297,625
Cash and cash equivalents at end of year	<u>\$ 236,887</u>	<u>\$ 295,989</u>

(See notes to consolidated financial statements)

Chairman: William Chang

Managerial officer: Benjamin Pien

Chief Financial Of

2024 Independent Auditor's Report - Parent-Only



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Independent Auditors' Report

To Phoenix Tours International, Inc.:

Opinion

We have audited the accompanying parent-only balance sheets of the Company as of December 31, 2024 and 2023, and the related parent-only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 2023, and notes to the Parent Company Only Financial Statements, including the summary of significant accounting policies (together "the Parent Company Only Financial Statements").

In our opinion, the Parent Company Only Financial Statements referred to above present fairly, in all material respects, the parent-only financial position of the Company as of December 31, 2024 and 2023, and the parent-only financial performance and cash flows for the years ended December 31, 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Parent-Only Financial Statements section of our report. We are independent of the Company in accordance with the Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits, 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 issues are those that, in our professional judgment, were of utmost significance in our audit of the parent company only financial statements for the year ended December 31, 2024. 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, and we do not provide a separate opinion on these issues. We have determined the following key audit matters:

Revenue Recognition

<To be continued in the next page>

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For the accounting policies on operating revenue, refer to Note IV.16 of the parent-only financial statements. For the description of operating revenue items, refer to Note VI.25 of the parent-only financial statements.

The operating revenue of Phoenix Tours International, Inc. mainly arises from various travel services and ticketing agency services. For each transaction, it is necessary to determine whether the Company acts as a principal or an agent, in order to decide whether revenue should be recognized on a gross or net basis. Regarding the timing of revenue recognition, revenue from group tours is recognized progressively over time, while other operating revenues are recognized based on the terms of service delivery. Since revenue recognition in gross or net amount and the cut-off point for revenue recognition are important matters and have an impact on the financial performance of the Company, we have listed revenue recognition as a key audit matter.

Relevant audit procedures performed by us include understanding the Company's business and collection processes, testing internal controls related to revenue recognition, reviewing transaction terms of business contracts for various business models, performing revenue cut-off testing, and performing analytical procedures.

Responsibilities of Management and Those Charged with Governance for the Parent-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 the 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 ability of the Company to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

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Auditors' Responsibilities for the Audit of the Parent-Only Financial Statements

Our objectives are to obtain reasonable assurance about whether or not the parent company only financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. They 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-only financial statements.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- I. Identify and assess the risks of material misstatement of the parent-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.
- II. Obtain an understanding of the 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.
- III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

<To be continued in the next page>

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IV. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast a 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

V. Evaluate the overall presentation, structure and content of the parent-only financial statements, including the accompanying notes, and whether the parent-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

The planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's 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.

<To be continued in the next page>



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Diwan & Company

Financial Supervisory Commission Approval
Document Number:

Jin-Guan-Zheng-Shen-Zhi #0990071790
Jin-Guan-Zheng-Shen-Zhi #1070312218

Jui-Yen Tseng

Accountants:

Audrey Tseng

March 7, 2025

Phoenix Tours International, Inc.
 Parent Only Balance Sheets
 December 31, 2024 and December 31, 2023
 (Expressed in Thousands of New Taiwan Dollars)

Assets		Notes	December 31, 2024		December 31, 2023		Financial liabilities and equity		Notes	December 31, 2024		December 31, 2023		
Code	Assets		Amount	%	Code	Assets	Amount	%		Amount	%	Amount	%	
11xx	Current assets				21xx	Current liabilities								
1100	Cash and cash equivalents	IV and VI.1	\$ 86,570	3	2102	Bank loan	IV, VI.13, VI.32 and VIII		\$ 739,000	23	\$ 603,900	20		
1110	Financial assets at fair value through profit or loss - Current	IV and VI.2	201,186	6	2111	Short-term notes payable	IV, VI.14, VI.32 and VIII		14,986	-	179,854	6		
1120	Unrealized gains and losses on equity investments	IV, VI.3 and VIII	1,114,834	34	2120	Financial assets at fair value through profit or loss - Current	IV and VI.2					17,100	1	
1150	Financial assets measured - Current		882,157	29	2130	Contract liabilities - Current	IV and VI.25		454,600	14	358,140	12		
1170	Notes receivable, net	IV, V, VI.4 and VII	43,560	1	2150	Notes payable	IV		3,141	-	18,252	1		
1200	Accounts receivable, net	IV, V, VI.5 and VII	18,207	1	2170	Accounts payable	IV and VII		32,601	1	56,834	2		
1210	Other receivables	IV, V, VI.2 and VI.17	40	-	2200	Other payables	IV		31,782	1	58,418	2		
1410	Other accounts receivable - Related parties	IV, V and VII	7,904	-	2220	Other payables - Related parties	IV and VII		5,605	-	4,530	-		
1476	Prepayments	VI.6 and VII	224,079	7	2230	Tax liability	IV and VI.30		33,144	1	35,254	1		
	Other financial assets - Current	IV, VI.7 and VIII	1,390	-	2280	Lease liabilities - Current	IV, VI.11, VI.15, VI.32 and VII		3,267	-	3,177	-		
	Total current assets		1,697,770	52	2322	Long-term borrowings maturing within one year	IV, VI.16, VI.32 and VIII		33,127	1	128,492	4		
					2399	Other current liabilities	VII		20,386	1	14,828	-		
						Total current liabilities			1,371,639	42	1,478,779	49		
15xx	Non-current assets													
1550	Investment accounted for under the equity method	IV, V and VI.8	456,888	14	422,613	14								
1600	Property, plant and equipment	IV, VI.9 and VIII	141,464	5	138,415	5	25xx	Non-current liabilities						
1755	Right-of-use assets	IV, VI.10 and VII	11,135	-	4,960	-	2541	Long-term bank loans	IV, VI.16, VI.32 and VIII		-	33,110	1	
1760	Investment property	IV, VI.11 and VIII	929,579	29	817,345	27	2570	Deferred tax liabilities	IV and VI.30		6,746	-	2,738	-
1780	Intangible assets	IV and VI.12	801	-	-	-	2580	Lease liabilities - Non-current	IV, VI.11, VI.15, VI.32 and VII		78,817	3	72,994	3
1840	Deferred tax assets	IV, V and VI.30	11,677	-	12,397	-	2640	Guarantee deposits	VII		768	-	768	-
1920	Refundable deposits	VI.2 and VII	10,326	-	26,329	1	2645	Total non-current liabilities			86,331	3	109,610	4
1984	Other financial assets - Non-current	IV, VI.7 and VIII	1,060	-	270	-	2xxx	Total liabilities			1,457,970	45	1,588,389	53
	Total non-current assets		1,562,930	48	1,422,329	47								
1xxx	Total liabilities and equity		\$ 3,260,700	100	\$ 3,009,510	100	3xxx	Total Liabilities and Equity			\$ 3,260,700	100	\$ 3,009,510	100

(Notes to the Parent-Only Financial Statements)

Chairman: William Chang

Managerial officer: Benjamin Pien

Chief Financial Officer: Annie Chou

Phoenix Tours International, Inc.
Parent Only Statement of Comprehensive Income
January 1 to December 31, 2024
and January 1 to December 31, 2023
(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

Code	Assets	Notes	2024		2023	
			Amount	%	Amount	%
4100	Net revenue	IV, VI.25 and VII	\$ 3,034,254	100	\$ 2,132,767	100
5000	Operating cost	VI.26 and VII	(2,642,269)	(87)	(1,806,464)	(85)
5900	Gross profit		391,985	13	326,303	15
6000	Operating expenses	IV, VI.26 and VII				
6100	Sales and marketing expenses		(146,700)	(5)	(121,042)	(5)
6200	General and administrative expenses		(30,030)	(1)	(27,679)	(1)
	Subtotal		(176,730)	(6)	(148,721)	(6)
6500	Other revenues and expenses, net	IV, VI.27 and VII	1,830	-	7,187	-
6900	Operating profit		217,085	7	184,769	9
7000	Non-operating income and expenses					
7020	Other gains and losses	IV, VI.17, VI.28 and VII	39,313	1	27,366	1
7050	Finance costs	IV and VI.28	(9,978)	-	(12,527)	(1)
7055	Expected loss on credit impairment	IV, VI.2 and VI.28	-	-	(29,006)	(1)
7060	Share of gains or losses of the subsidiaries recognized by using	IV, VI.8 and VI.28	26,360	1	19,847	1
7100	Interest income	IV and VI.28	2,249	-	1,763	-
7130	Dividend income	IV, VI.3 and VI.28	33,907	1	27,578	1
7210	Gain on disposal of property, plant and equipment	IV, VI.9 and VI.28	136	-	136	-
7235	Financial assets (liabilities) at fair value through profit or loss	IV, VI.2 and VI.28	50,410	2	(8,564)	-
	Net gain (loss)					
	Subtotal		142,397	5	26,593	1
7900	Income before income tax		359,482	12	211,362	10
7950	Income tax expense	IV and VI.30	(57,758)	(2)	(33,188)	(2)
8200	Net income		301,724	10	178,174	8
8300	Other comprehensive income	IV, VI.3, VI.8				
8310	Not to be reclassified to profit or loss in subsequent periods:	VI.23 and VI.29				
8316	Unrealized gains and losses of equity instruments measured at fair value through other comprehensive income					
			205,565	7	70,923	3
8320	Share of other comprehensive income of the subsidiaries recognized using the equity me		20,309	-	9,318	1
8349	Income tax related to items that will not be reclassified		-	-	-	-
	Total		225,874	7	80,241	4
8360	To be reclassified to profit or loss in subsequent periods:					
8380	Share of other comprehensive income of the subsidiaries recognized using the equity m		881	-	(488)	-
8399	Relevant income tax for items that will may be reclassified:		-	-	-	-
	Total		881	-	(488)	-
	Total other comprehensive(loss)income, net of tax		226,755	7	79,753	4
8500	Total comprehensive income		\$ 528,479	17	\$ 257,927	12
	Earnings per share (NT\$)					
9750	Basic earnings per share (NT\$)	IV and VI.31	\$ 3.75		\$ 2.21	
9850	Diluted earnings per share (NT\$)	IV and VI.31	\$ 3.74		\$ 2.21	

(Notes to the Parent-Only Financial Statements)

Chairman: William Chang

Managerial officer: Benjamin Pien

Chief Financial Officer: Annie Chou

Phoenix Tours International, Inc.
 Parent Only Statement of Changes in Equity
 January 1 to December 31, 2024
 and January 1 to December 31, 2023
 (Expressed in Thousands of New Taiwan Dollars)

Items	Share capital	Capital surplus	Retained earnings			Other Components of Equity		Treasury stock	Total
			Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gain or loss on financial assets measured at fair value through other		
Balance at January 1, 2023	\$ 737,670	\$ 205,086	\$ 231,036	\$ -	\$ 62,783	\$ (714)	\$ (32,465)	\$ (18,283)	\$ 1,185,113
Appropriations and distributions of 2022 earnings (Note VI.22):									
Legal reserve	-	-	1,940	-	(1,940)	-	-	-	-
Allocated special reserve	-	-	-	33,179	(33,179)	-	-	-	-
Distribution of cash dividends from capital reserve	-	(21,944)	-	-	-	-	-	-	(21,944)
Difference between actual acquisition price and carrying amount	-	25	-	-	-	-	-	-	25
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	45,614	-	(45,614)	-	-
2023 net income	-	-	-	-	178,174	-	-	-	178,174
2023 other comprehensive income	-	-	-	-	-	(488)	80,241	-	79,753
2023 total comprehensive income	-	-	-	-	178,174	(488)	80,241	-	257,927
Balance at December 31, 2023	737,670	183,167	232,976	33,179	251,452	(1,202)	2,162	(18,283)	1,421,121
Appropriations and distributions of 2023 earnings (Note VI.22):									
Legal reserve	-	-	22,379	-	(22,379)	-	-	-	-
Reversal of special reserves	-	-	-	(33,179)	33,179	-	-	-	-
Cash dividends for shareholders	-	-	-	-	(146,292)	-	-	-	(146,292)
Stock dividends for shareholders	73,145	-	-	-	(73,145)	-	-	-	-
Difference between actual acquisition price and carrying amount	-	(86)	-	-	(492)	-	-	-	(578)
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	36,277	-	(36,277)	-	-
2024 net income	-	-	-	-	301,724	-	-	-	301,724
2024 other comprehensive income	-	-	-	-	-	881	225,874	-	226,755
2024 total comprehensive income	-	-	-	-	301,724	881	225,874	-	528,479
Balance at December 31, 2024	<u>\$ 810,815</u>	<u>\$ 183,081</u>	<u>\$ 255,355</u>	<u>\$ -</u>	<u>\$ 380,324</u>	<u>\$ (321)</u>	<u>\$ 191,759</u>	<u>\$ (18,283)</u>	<u>\$ 1,802,730</u>

(Notes to the Parent-Only Financial Statements)

Chairman: William Chang

Managerial officer: Benjamin Pien

Chief Financial Officer: Annie Cho

Phoenix Tours International, Inc.
Parent Only Statement of Cash Flows
January 1 to December 31, 2024
and January 1 to December 31, 2023
(Expressed in Thousands of New Taiwan Dollars)

Items	2024	2023
Cash flows from operating activities:		
Profit before tax from continuing operations	\$ 359,482	\$ 211,362
Net income before tax		
Adjustments to reconcile profit (loss)		
Depreciation	12,156	11,050
Amortization expenses	65	-
Expected loss on credit impairment	-	29,006
Financial assets (liabilities) at fair value through profit or loss		
Net losses (gains)	(50,410)	8,564
Interest expense	9,978	12,527
Interest income	(2,249)	(1,763)
Dividend income	(33,907)	(27,578)
Share of gains or losses of the subsidiaries recognized by using	(26,360)	(19,847)
Gain on disposal of property, plant and equipment	(136)	(136)
Unrealized exchange loss	1,141	830
Changes in operating assets and liabilities		
Financial assets and debts mandatorily measured at fair value th	66,413	(39,592)
Notes receivable	7,854	(7,289)
Accounts receivable	2,619	(39,369)
Other receivables	12,645	(9,465)
Other accounts receivable - Related parties	(7,904)	-
Prepayments	(20,891)	(56,955)
Contract liabilities	96,460	185,739
Notes payable	(15,111)	(17,386)
Accounts payable	(24,233)	27,365
Other payables	(9,724)	31,877
Other payables - Related parties	1,075	2,927
Other current liabilities	5,558	(15,306)
Cash flow from operating activities	384,521	286,561
Interest received	2,249	1,685
Dividends received	48,369	27,578
Interest paid	(9,978)	(12,527)
Income tax refunded or paid	(55,140)	663
Net cash flow from operating activities	370,021	303,960
Cash flows from investing activities:		
Acquisition of financial assets measured at fair value through other co	(213,936)	(190,091)
Disposal of financial assets measured at fair value through other comp	202,003	176,350
Increase in prepayments for investments	-	(14,502)
Acquisition of investments accounted for under the equity method	(1,669)	(57,000)
Acquisition of property, plant and equipment	(7,268)	(1,594)
Acquisition of investment property	(117,109)	(102,443)
Acquisition of intangible assets	(779)	-
Decrease (increase) in other financial assets	22,000	(22,000)
Decrease (increase) in refundable deposits	16,003	(16,233)
Net cash used in investing activities	(100,755)	(227,513)
Cash flows from financing activities:		
Bank borrowings	778,444	603,900
Repayment of bank borrowings	(643,344)	(636,500)
Decrease in short-term notes payable	(164,868)	(31)
Long-term bank borrowings	-	20,000
Repayment of long-term bank borrowings	(128,475)	(85,551)
Decrease in guarantee deposit	-	(5,339)
Cash dividends paid	(146,292)	(21,944)
Repayment of principal of lease liabilities	(3,324)	(3,114)
Net cash outflow generated by financing activities	(307,859)	(128,579)
Effect of exchange rate changes on cash and cash equivalents	(1,141)	(830)
Net decrease in cash and cash equivalents	(39,734)	(52,962)
Cash and cash equivalents at beginning of year	126,304	179,266
Cash and cash equivalents at end of year	\$ 86,570	\$ 126,304

(Notes to the Parent-Only Financial Statements)

Chairman: William Chang

Managerial officer: Benjamin Pien

Head-Finance & Accounti

Phoenix Tours International, Inc.
Comparison Table of Amended Articles of Incorporation

Amended Article	Original Article	Remarks
<p>Article 21</p> <p>In the event the Company records profits for the fiscal year, no less than two percent (2%) shall be allocated as employee remuneration, of which no less than one percent (1%) shall be allocated specifically for grassroots employees. Directors' remuneration shall not exceed one and a half percent (1.5%). However, if the Company has accumulated losses, such losses must be covered before any distribution.</p> <p>Employee remuneration may be distributed in the form of stock or cash and shall be determined by a resolution of the Board of Directors attended by at least two-thirds of directors and approved by a majority of attending directors. The recipients of such stock or cash may include employees of the Company's subsidiaries or controlled entities in which the Company holds more than fifty percent (50%) of the shares.</p>	<p>Article 21</p> <p>In the event the Company records profits for the fiscal year, no less than two percent (2%) shall be allocated as employee remuneration, and directors' remuneration shall not exceed one and a half percent (1.5%). However, if the Company has accumulated losses, such losses must be covered before any distribution.</p> <p>Employee remuneration may be distributed in the form of stock or cash and shall be determined by a resolution of the Board of Directors attended by at least two-thirds of directors and approved by a majority of attending directors. The recipients of such stock or cash may include employees of the Company's subsidiaries or controlled entities in which the Company holds more than fifty percent (50%) of the shares.</p>	Amended in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act.
<p>Article 24 ...</p> <p>34th Amendment: June 18, 2012</p> <p>35th Amendment: June 17, 2014</p> <p>36th Amendment: June 16, 2016</p> <p>37th Amendment: June 16, 2017</p> <p>38th Amendment: June 14, 2019</p> <p>39th Amendment: July 16, 2021</p> <p>40th Amendment: June 15, 2022</p> <p>41st Amendment: June 3, 2025</p>	<p>Article 24 ...</p> <p>34th Amendment: June 18, 2012</p> <p>35th Amendment: June 17, 2014</p> <p>36th Amendment: June 16, 2016</p> <p>37th Amendment: June 16, 2017</p> <p>38th Amendment: June 14, 2019</p> <p>39th Amendment: July 16, 2021</p> <p>40th Amendment: June 15, 2022</p>	Added the 41st amendment date.

Phoenix Tours International, Inc.

Rules of Procedures for Shareholder Meetings

Article 1: The shareholders meeting should be handled according to the Rules unless otherwise stated by the law.

Article 2: The meeting notice shall specify details such as meeting time, venue, and important notes where relevant.

Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area must be clearly labeled and manned by competent personnel.

Shareholders and representatives thereof (collectively referred to as shareholders) shall attend shareholder meetings by presenting valid conference pass, attendance card or other document of similar nature. The Company may not request shareholders to present additional documentary proof unless specified in advance. Proxy form acquirers are required to bring identity proof for verification.

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

Shareholders who attend the meeting shall be given a copy of the meeting handbook, annual report, attendance pass, opinion slip, motion ballots and any information relevant to the meeting. Prepare additional ballots if director election is also being held during the meeting.

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

Article 3: Attendance at meetings of shareholders shall be calculated based on number of shares.

Article 3-1: Unless otherwise specified by law, shareholders' meetings are to be convened by the board of directors.

The meeting advice and announcement shall state clearly the agenda to be discussed during the meeting, and can be issued in electronic form if consented to by the recipient.

Election or dismissal of directors and supervisor, changes in the article of incorporation, capital reduction, application for deregistration of equity shares, director non-compete agreement, capitalization of profits, capitalization of surplus, company dissolution, merger, split or the clauses in Paragraph 1, Article 185 of the Company Act should be listed in the purposes for convening the meeting, not proposed as an extraordinary motion. The content may be posted on websites designated by the securities authority or the Company, and the web address should be clearly stated in the notification.

Shareholders who hold over 1% of the total issued shares may propose motions in the Company's shareholder general meeting. Each shareholder is entitled to propose one motion, and additional motions will not be included in the discussion. However, proposals which aim to urge the Company to promote the public interest or fulfill social responsibilities should still be included in the proposal discussion by the board.

Furthermore, if the issue raised by shareholders involves items in Paragraph 4, Article 172-1 of the Company Act, the board of directors can omit the proposal.

The Company shall announce, before the book closure date for the annual general meeting, the acceptance of shareholders' proposals, the procedures in accepting proposals either in writing or electronic version and the place and time of acceptance. The period of acceptance shall not be less than 10 days.

Article 4: When shareholders representing more than half of the total number of issued shares are present, the chairperson will call the meeting to order. However, if the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements may be made. If the number of shares present is still insufficient after two postponements, and there are more than 1/3 of the total issued shares present, a tentative resolution may be passed by a majority of those present in accordance with Article 175 of the Company Act. If the number of shares representing the present shareholders reaches a quorum, the chairperson may submit the tentative resolution in the preceding paragraph to the general meeting again for voting in accordance with Article 174 of the Company Act.

Article 5: The board should set the agenda for the meetings that it convenes. Relevant motions (including extraordinary motions and amendments to the original motions) shall be decided on a case-by-case basis. The meeting should be carried out based on the agenda and should not be changed without the resolution of the shareholders. The regulations of the preceding paragraph may be applied to a meeting of shareholders convened by a party that is not the board of directors. The chair may not declare the meeting ended prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

After the meeting is adjourned, the shareholders meeting should not select another chair to hold a meeting at the site or at another site. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

Article 5-1: It is advisable that shareholder meetings convened by the board of directors be chaired by the chairman of the board in person and attended by a majority of the directors and one member of each functional committee on behalf of the committee in person. The attendance shall be recorded in the meeting minutes.

Article 6: The legal counsels, certified public accountants and other relevant personnel designated by the Company may attend and observe the shareholder meeting. Staff handling administrative affairs of the shareholders' meeting shall wear identification cards or armbands.

Article 7: The meeting should be voice or video-recorded throughout, and the files are retained for at least one year. However, if a shareholder files a lawsuit according to Article 189 of the Company Act, the recording materials shall be retained until the conclusion of the litigation.

Article 8: Before speaking, the present shareholders should first fill out a speech note specifying the attendance card number and account name, and allow the chair to determine the order to give the statements. The attending shareholders are considered to offer no statement if they only provide speech notes without giving statements.

In the event where the content of the statement is inconsistent with the speech note, the content of the statement should prevail. When a present shareholder is making a statement, other shareholders shall not speak unless permitted by the chairperson and the speaking shareholder. Violators shall be halted by the chairperson.

Article 9: Each statement delivered by the present shareholders (or proxies) shall not exceed 5 minutes, but may be extended by 3 minutes with the permission of the chairperson. If a shareholder's statement violates the rules or exceeds the scope of the issue, the chairman shall halt the statement.

Article 10: Each shareholder shall not make more than two statements for the same motion without the chairperson's agreement.

Article 11: When discussing a motion, the chairperson may announce the end of discussion at an appropriate time, and may announce the suspension of discussion if necessary and put it to a vote. Vote monitoring and counting personnel on a proposal shall be appointed by the chairman, providing that all monitoring personnel shall be shareholders of the Company. The results of resolution(s) shall be announced in the meeting, and recorded in the meeting minutes.

Article 12: Unless otherwise regulated by The Company Act or the Articles of Incorporation, a motion is passed when supported by shareholders representing more than half of total voting rights in the meeting. Motions are considered passed if shareholders express no objection after being consulted by the chair, and are considered passed with the same effectiveness as by voting.

Article 12-1: Shareholders may exercise their voting power in correspondence or by electronic transmission in shareholder meetings, and the exercise method shall be specified in the notice of shareholders' meetings. 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 motions or amendments to the original discussions that may arise during the shareholders' meeting. For this reason, the Company should avoid proposing special motions and amendments to the original agendas where possible.

Article 13: During the meeting the chairperson shall announce recess at set times.

Article 14: The chair is to direct proctors (or security guards) to help maintain order of the meeting. The proctors (or security personnel) help maintaining order at the meeting place shall wear an armband bearing the word "Proctor."

Article 15: Any outstanding matters not specified in the Rules are to be handled in accordance with the Company Act and the Company's regulations.

Article 16: The Rules are to be announced and implemented after being approved by the shareholder meeting, and likewise for the revision.

Phoenix Tours International, Inc.

Articles of Incorporation (Before Amendment)

Chapter 1 General Provisions

Article 1 The Company is organized in accordance with the provisions of the Company Act and is named Phoenix Tours International, Inc.

Article 2 The Company is engaged in the following business activities:
J902011 Travel Agencies, and the scope of business is subject to the approval by the Tourism Bureau of the Ministry of Transportation and Communications.

Article 3 The head office of the Company is located in Taipei City. If necessary, branch offices may be established both at home or abroad by the resolution of the board of directors.

Article 4 The Company may provide endorsement and guarantee to outside parties for business-related purposes. If the Company serves as a limited liability shareholder of another company, the total amount of such external investment is not subject to the 40% limit rule of the Company's paid-in capital as specified in Article 13 of the Company Act.

Chapter 2 Shares

Article 5 The Company has an authorized capital of one billion New Taiwan Dollars in one hundred million shares. Each share has a face value of ten New Taiwan Dollars. The board of directors is authorized to raise share capital in multiple issues. The Company may issue employee stock options, and reserve 10,000,000 shares of the total number of shares in the preceding paragraph for issuing employee stock options.
The treasury stock repurchased by the Company in accordance with the Company Act may be transferred to the employees of the Company's controlled or subordinate company.
The recipients of the Company's employee stock options may include employees of the controlled or subordinated companies which meet certain criteria.
When the Company issues new shares, the employees who subscribe to the shares may include those of the controlled or subordinate companies which meet certain criteria.
The Company may issue restricted shares to its employees, including employees of controlled or subordinate companies which meet certain criteria.

Article 6 The share certificates of the Company shall be name-bearing and signed or stamp-sealed by the directors representing the Company and are issued upon the authentication by the government authority. Shares of the Company is exempted from actual printing but shall be registered with the Taiwan Depository and Clearing Corporation.

Article 7 Change or transfer of share ownership shall be suspended during the 60 days prior to an annual general meeting, during the 30 days prior to an extraordinary shareholder meeting, and during the 5 days prior to the date of record of any dividend, bonus or rights distribution.

Article 8 Unless otherwise specified by law or securities regulation, all share administration-related affairs shall proceed according to Regulations Governing the Administration of Shareholder Services of Public Companies.

Chapter 3 Shareholder Meeting

Article 9 Meetings of shareholders include the annual general meeting of shareholders (AGM) and the extraordinary general meeting of shareholders (EGM). The former shall be convened at least once a year within six (6) months after the end of each accounting year; and the latter shall be convened by law where necessary. Annual general meetings, unless otherwise specified by the Company Act or other relevant laws and regulations, are convened by the board. During the company's shareholders' meeting, video conferencing or other methods announced by the central competent authority may be used.

Article 10 Shareholders unable to attend the meeting may offer to show the power of attorney issued by the Company that specifies the scope of authorization and entrust their proxy to attend the meeting. Other than the trusts or shareholder services agents approved by the authorities, a person representing more than two shareholders as a proxy cannot have the shares exceeding three percent of the total voting rights. The exceeded voting rights will not be counted.

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

Should the shareholder decide to attend shareholder meeting personally 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 by no later than 2 days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, the vote of the proxy attendant shall prevail.

Article 11 Unless otherwise specified in the Company Act, the standard of one share, one vote shall apply to every shareholder.

Article 12 Unless otherwise specified by the Company Act, shareholder meetings shall have the attendance of shareholders with more than majority of the issued shares and the resolutions shall be represented by more than majority of the attending shareholders.

Article 13 The duties and powers of shareholder meetings are as follows:

- I. Formulate and amend the Articles of Incorporation.
- II. Election of directors.
- III. At least one general meeting of shareholders shall be held within six months after the end of each fiscal year.
- IV. Convene extraordinary general meetings of shareholders when necessary.
- V. Audit the various books prepared by the board and the reports of the Audit Committee.
- VI. Resolution on capital increase or reduction, distribution of profit, dividends and bonuses and other key matters.
- VII. May appoint inspectors when conducting audit.

Article 13-1 Delisting of the Company's shares is subject to board of directors' approval and shareholder meeting resolution.

Chapter 4 Board of Directors and Audit Committee

Article 14 The Company has seven to nine directors, with a term of three years. They are elected at the shareholder meeting based on their disposing capacity, and can be re-elected. The total shareholding of all directors is subject to the regulations of securities regulatory agency.

The election of directors shall adopt the nomination approach in accordance with Article 192-1 of the Company Act, and shareholders shall make their election choices from the list of candidates of directors.

The Company establishes an audit committee which shall be composed of the entire number of independent directors. One of them shall be the convener, and at least one of them shall have accounting or financial expertise. The Audit Committee's duties, organizational regulations, exercise of power and other compliance matters are governed by relevant laws of the securities authority.

Article 14-1 The number of director seats mentioned above includes independent directors, which shall be no less than two and shall account for no less than one-fifth of total directors. Independent directors are to be elected by shareholders from the list of nominated candidates using the nomination system. The election of independent and non-independent directors should be held together, and the number of people elected are counted separately. The professional qualifications, shareholding, part-time restrictions, nominations and other rules to be followed regarding the election of independent directors shall be handled in accordance with laws and regulations.

Article 15 Directors constitute the board of directors. A chairman representing the Company is elected in the board meeting where more than two-thirds of directors are present and more than half of the present directors agree to the vote. The same method is applied to the election of vice chairman. The board meeting is convened by the chairman of the board of directors. The meeting notice can be sent by email or fax. Unless otherwise stipulated by the Company Act, board resolutions shall have the attendance of more than half of directors and be represented by more than half of the attending directors.

Article 16 If a director is unable to attend a board meeting, he or she may present a power of attorney to list the reasons for the convening and sign and stamp-seal the statements to appoint other directors to attend the meeting as a proxy, and the proxy shall accept a proxy from one person only.

Article 17 The remuneration of directors is authorized at board meetings based on their level of participation in and contribution to the Company's operation. The remuneration follows the standards among the industry peers. The remuneration is paid regardless of the status of the operating profit or loss.

The Company may authorize the board to hire attorneys, consultants or key staff when necessary.

Article 18 The authority of the board of directors covers the following areas:

I. Decisions on business investment, management and development policies.

- II. Election of chairman.
- III. The decision on business policies.
- IV. Review of important rules and contracts.
- V. Establishment and abolition of branches.
- VI. Review and approval of budgets and final accounts.
- VII. Decision on profit distribution or making up for losses.
- VIII. Decision on increase or decrease of the capital.
- IX. Operational command and supervision.
- X. Approval of important business tasks.
- XI. Decisions on real estate transactions.
- XII. Decision on funding and use of capital.
- XIII. Matters to be resolved as stipulated by laws and regulations and matters assigned by shareholder meeting resolutions.

Chapter 5 Managerial officers

Article 19 The Company shall have one chief executive officer, one deputy CEO and a number of general manager and deputy general managers and assistant presidents and managerial officers positions, and their appointment, dismissal and remuneration shall comply with Article 29 of the Company Act.

Chapter 6 Accounting

Article 20 The Company's board of directors is responsible for preparing the following statements and reports at the end of each financial year; these statements and reports must be submitted to the Audit Committee for review at least 30 days before the annual general meeting, and presented during the annual general meeting for ratification.

- I. Business reports.
- II. Financial statements.
- III. Motions for profit distribution or making up for losses.

Article 21 If the Company is profitable in the fiscal year, no less than 2% of the profit shall be offered as remuneration for employees, and no more than 1.5% of the profit shall be allocated as remuneration for directors. However, if the Company still has accumulated losses, an amount shall be reserved in advance to make up for the losses. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition, there to a report of such distribution is submitted to the shareholders' meeting. The abovementioned recipients of stock or cash distributed may include the employees of the subsidiaries whose shares the Company holds more than 50%.

Article 21-1 Annual surpluses concluded by the Company are first subject to taxation and making up for previous losses, followed by a 10% provision for legal reserves; however, no further provision is needed when legal reserves have accumulated to the same amount as the Company's paid-in capital. Any surpluses remaining shall then be subject to

provision or reversal of special reserves, as the laws or the competent authority may require. The residual balance can then be added to undistributed earnings carried from previous years per board resolution, and the shareholder meeting resolved to distribute shareholder bonus shares.

The travel agencies is a mature industry currently in a phase of dramatic changes and development. The Company's dividend policy is based on the current and future development plans and considers the investment environment, capital needs, domestic and overseas competition and the interests of shareholders. At least 50% of the distributable earnings of the year shall be allocated as shareholder dividends. The annual cash dividends shall be at least 10%, and no more than 100%, of the total of cash and stock dividends distributed in the year.

The board proposes distribution of profits based on the above criteria to the shareholders meeting for resolution.

Chapter 7 Supplementary Articles

Article 22 The Company's organizational charter and detailed procedures are separately determined by the board.

Article 23 Any outstanding issues not specified: Subject to the Company Act and the relevant laws and regulations.

Article 24 The Articles of Incorporation were established on June 10, 1957;
The 1st amendment was made on January 20, 1961;
The 2nd amendment was made on July 27, 1962;
The 3rd amendment was made on August 4, 1964;
The 4th amendment was made on July 21, 1965;
The 5th amendment was made on July 29, 1968;
The 6th amendment was made on December 18, 1972;
The 7th amendment was made on November 30, 1975;
The 8th amendment was made on September 10, 1986;
The 9th amendment was made on November 27, 1986;
The 10th amendment was made on August 8, 1987;
The 11th amendment was made on February 11, 1988;
The 12th amendment was made on November 18, 1988;
The 13th amendment was made on December 13, 1988;
The 14th amendment was made on March 10, 1989;
The 15th amendment was made on June 12, 1989;
The 16th amendment was made on July 20, 1993;
The 17th amendment was made on December 14, 1997;
The 18th amendment was made on July 27, 1998;
The 19th amendment was made on June 10, 1999;
The 20th amendment was made on December 1, 1999;
The 21st amendment was made on March 6, 2000;
The 22nd amendment was made on September 18, 2000;
The 23rd amendment was made on December 28, 2000;
The 24th amendment was made on March 27, 2001;

The 25th amendment was made on April 15, 2002;
The 26th amendment was made on June 15, 2004;
The 27th amendment was made on June 14, 2005;
The 28th amendment was made on November 20, 2006;
The 29th amendment was made on June 15, 2007;
The 30th amendment was made on June 19, 2008;
The 31st amendment was made on June 19, 2009;
The 32nd amendment was made on June 17, 2010;
The 33rd amendment was made on April 29, 2011;
The 34th amendment was made on June 18, 2012;
The 35th amendment was made on June 17, 2014;
The 36th amendment was made on June 16, 2016;
The 37th amendment was made on June 16, 2017;
The 38th amendment was made on June 14, 2019;
The 39th amendment was made on July 16, 2021;
The 40th amendment was revised on June 15th, 2024

Phoenix Tours International, Inc.

William Chang, Chairman

Phoenix Tours International, Inc.
Shareholdings & Minimum Shareholdings Required of all Directors

- I. The Company's paid-in capital is NT\$810,815,430 and the Company has issued a total of 81,081,543 shares.
- II. According to Article 26 of the Securities and Exchange Act and Paragraph 1, Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the shareholding of directors is as follows:
The minimum number of shares required of all board members is 6,486,523 shares.
- III. As of April 05, 2025 (book closure date), the directors on the shareholder registers have the following shares:

Title	Name	Number of Shares Held	Percentage (%)
Chairman	William Chang	7,085,844	8.74%
Director	Jimmy K. M. Chang	13,052,573	16.10%
Director	Eric Kai	-	0.00%
Director	Joe T. H. Chiu	194,432	0.24%
Director	Jonny Tseng	2,080,384	2.57%
Director	Pei Wen Wu	417,729	0.52%
Independent Director	L.C. Kuo	-	0.00%
Independent Director	T.S. Chen	-	0.00%
Independent Director	Alan J.T. Chien	-	0.00%
Overall Directors' Shareholding Position		20,565,422	28.16%