

# PChome Online Co., Ltd.

Minutes of the 2024 General Meeting of Shareholders

Meeting time: 9:00 am on June 19, 2024 (Wednesday).

Meeting location: No. 11, Zhongshan South Road, Zhongzheng District, Taipei City (Room 1002, Chang Wing-Fa Foundation International Conference Center)

Attendance: The total number of shares issued by the company is 143,952,945 shares. According to Article 179 of the Company Law, the number of non-voting shares is 2,779,000 shares. The number of shares in attendance was 86,306,441 shares (of which 16,950,438 shares exercised voting rights electronically), accounting for 61.13% of the company's total issued shares after deducting the number of non-voting shares.

Chairman: Chairman Zhan Hongzhi Record: Li Xiancheng

Directors present: Chairman Zhan Hongzhi, Director Zhang Yushan, Director Zhou Lei

Participants: Accountant Chen Yijun from Anhou Jianye United Accounting Firm

Zhengyuan International Law Firm Lawyer Hong Peiqi

## Report Items

### I. 2023 Business Report.

Explanatory Notes: Please refer to Attachment I (Page13 of this meeting agenda) for the Company's 2023 Business Report.

### II. 2023 Audit Committee's Review Report.

Explanatory Notes:

Certified Public Accountants of KPMG, Pearl Chen and Lillian Lien, audited the Company's 2023 parent company only and consolidated financial statements. The Audit Committee reviewed the business report, Deficit

Compensation Statement, and aforementioned financial statements with review report issued. Please refer to Attachment II (Page 17 of this meeting agenda) for details.

## **Ratification Items**

### **Item 1 (Proposed by the Board of Directors)**

Subject: 2023 Business Report and Financial Statements.

Explanatory Notes:

- (I) The 2023 parent company only and consolidated financial statements of the Company were prepared and had been audited by Certified Public Accountants of KPMG, Pearl Chen and Lillian Lien with an independent auditors' report issued. The financial statements along with business report had been reviewed by the Audit Committee and approved in the Board of Directors' meeting.
- (II) Please refer to Attachment I and III (Pages 13 and 18 of this meeting agenda) for the 2023 business report, independent auditors' report and aforementioned financial statements.
- (III) Please ratify

Resolution: The result of the voting on this case was that the total number of voting rights was 86,306,441 (including 16,950,438 rights for electronic voting), 78,884,221 in favor, 426,887 against, the number of invalid rights, 0 abstentions, and the number of unvoted rights, 6,995,343, and the number in favor accounted for 91.40% of the voting rights of shareholders present at the time of voting. , the case was voted and passed according to the original case.

### **Item 2 (Proposed by the Board of Directors)**

Subject: Adoption of the Proposal for 2023 Deficit Compensation

Explanatory Notes:

The opening balance of the company's 2023 loss provision statement is NT\$94,880,020, plus the current year's net loss after tax NT\$ (659,898,593), plus

other comprehensive gains and losses NT\$ (605,567) and the disposal through other comprehensive gains and losses on a fair basis. After measuring the value of equity instruments of NT\$7,827,557, the losses to be made up are NT\$ (557,796,583). It is planned to use statutory surplus reserves and capital reserves to make up for the accumulated losses, which add up to NT\$54,113,280 and NT\$ 503,683,303 respectively. After making up for the losses, the remaining accumulated losses are NT\$0.

PChome Online Inc.			
2023 Deficit Compensation Statement			
Unit: NT\$			
	Item	Amount	Total
	Beginning balance		94,880,020
	<b>Change during the year</b>		
Add:	Net profit (loss) of 2023	(659,898,593)	
	Other comprehensive income of 2022	(605,567)	Note 1
	Disposal of equity instruments measured at fair value through other comprehensive profit (loss)	7,827,557	
	Subtotal		(652,676,603)
	<b>Unappropriated earnings, end of the period</b>		(557,796,583)
	Items for compensating deficit:		
	Statutory reserve		54,113,280
	Additional paid-in capital		503,683,303
	<b>Deficit yet to be compensated</b>		0
Chairman:	Hung-Tze Jan	Manager:	Yu-Shan Chang
		Accounting Officer:	Evian Chang

Note 1: This is mainly due to the impact of losses caused by the reduction in the old system pension discount rate.

Resolution: The result of the voting on this case was that the total number of voting rights was 86,306,441 (including 16,950,438 rights for electronic voting), 78,922,007 in favor, 455,322 against, the number of invalid rights was 0 abstention, the number of non-votes was 6,929,112, and the number in favor accounted for 91.44% of the voting rights of shareholders present at the time of voting. , the case was voted and passed according to the original case.

# Discussion items

## Item 1 (Proposed by the Board of Directors)

Subject: Amendment to the Company Corporate Charter (Articles of Incorporation). discussions.

- Explanatory Notes:
1. The company has taken the initiative to revoke the tobacco and alcohol import industry license and plans to delete the charter "F401171 Alcohol Import Industry Project" in accordance with the letter from the Ministry of Finance on December 28, 2023.
  2. In addition, since the company does not operate third-party payment business, in order to comply with relevant regulations on bank transactions (cash flow services), it plans to delete the "I501010 Third-party payment service industry" business item in the company's articles of association.
  3. The comparison table of provisions before and after the amendment is as follows. Request for discussion and resolution.

After the Amendment	Before the Amendment	Description
Article 2: The Company's business scope is as follows: The Company's business scope is as follows:	Article 2: The Company's business scope is as follows: The Company's business scope is as follows:	Adjustment business items.
1 E605010 Computing Equipment Installation Construction	1 E605010 Computing Equipment Installation Construction	Delete item 55 85
Omit the following.	Omit the following.	
55 I301040 <del>The Third-party Payment Services</del>	55 I301040 The Third-party Payment Services	
85 F401171 <del>Alcohol Drink</del>	85 F401171 Alcohol Drink	

After the Amendment		Before the Amendment		Description
85	<del>ZZ99999</del> Import All business items that are not prohibited or restricted by law, except those that are subject to special approval.	87	ZZ99999 Import All business items that are not prohibited or restricted by law, except those that are subject to special approval.	
Omit the following and rearrange item				
Article 31: The Articles of Incorporation was established on June 25, 1998. The first amendment was made on November 16, 1998. (Omitted) The eighteenth amendment was made on June 13, 2018. The nineteenth amendment was made on June 14, 2019. The twentieth amendment was made on June 24, 2020. The twenty-first amendment was made on June 19, 2024.		Article 31: The Articles of Incorporation was established on June 25, 1998. The first amendment was made on November 16, 1998. (Omitted) The eighteenth amendment was made on June 13, 2018. The nineteenth amendment was made on June 14, 2019. . The twentieth amendment was made on June 24, 2020.		To add the amendment date.

Resolution:

**The result of the voting on this case was that the total number of voting rights was 86,306,441 (including 16,950,438 rights for electronic voting), 78,951,089 in favor, 445,898 against, the number of invalid rights, 0 abstentions, and the number of unvoted rights, 6,909,454, and the number in favor accounted for 91.47% of the voting rights of shareholders present at the time of voting. , the case was voted and passed according to the original case.**

**Item 1 (Proposed by the Board of Directors)**

Election Items

The company 9th Directors election.Explanation:

- (1) The current directors of the company were elected at the shareholders’ meeting on July 29, 2021. Their term will expire on July 28 this year. It is planned to be re-elected in advance at the regular shareholders’ meeting on June 19 this year in accordance with the law.
- (2) According to Article 18 of the Company's Articles of Association, nine

directors (including three independent directors) should be elected this time, using a candidate nomination system and in accordance with the Company's "Director Election Methods".

(3) The new director will have a three-year term starting from June 19, 2024 to June 18, 2027. The term of office of the original director shall end when the re-election is completed at this regular meeting of shareholders.

(4) Please refer to Appendix 3 (page 48 of this manual) for the Company's "Director Election Methods".

V. Please discuss.

### Candidates for the Election of Directors

Shareholders' Account/ ID	Name	Education	Relevant Experience
1	Hung-Tze Jan	Department of Economics, National Taiwan University	Editor of the Commentary Section of United Daily News General Manager of Yuan-Liou Publishing
74606	Alice Chang	Master degrees in Information Engineering and Management Science from Stanford University	GOOGLE Partner Technology manager The founder and CEO Chang of MamiLove
59123	Bruse Chou	Department of Finance, National Taiwan University	Zoyi Capital Managing Director Barclays Capital Assistant VP
618	Site Inc. representative Vicky Tseng	MS, Administrative studies □ e-commerce, systems & technology, Boston University EMBA, Accounting, National Taiwan University	Marketing Director of PChome Online Inc.
618	Site Inc. representative Allan Chou	Master of Finance from MIT Master's Degree in Statistics from Yale University	General Manager of 21st Century Digital Technology General Manager of Pi-mobile International Information

59164	CDIB Venture Capital Corporation representative Ryan Kuo	Bachelor in Electrical Engineering, National Taiwan University	General Manager, CDIB Innovation Management Consultants Co., Ltd.
-------	--	--	---

#### Candidates for the Election of Independent Directors

Shareholders' Account/ ID	Name	Education	Relevant Experience
D10116*****	Tan Hochen	Master in Urban Planning, Virginia Polytechnic Institute and State University	Minister of Transportation and Communications, Republic of China (Taiwan) Chairman, Chunghwa Telecom Co., Ltd. Chairman, Taipei Rapid Transit Corporation
D1209*****	Ethan Tu	Master of Information, National Taiwan University	Founder of PPT (BBS)Industrial Forum Founder, Taiwan AI Labs (AI Labs)
A8003*****	Lambert Chien	Master of Electrical Engineering from Stanford University	KKBOX Taiwan Co., Ltd. Chairman

#### Election results:

Director	election results
Hung-Tze Jan	79,532,437 權
Alice Chang	77,547,591 權
Bruse Chou	77,602,483 權
Site Inc. representative Vicky Tseng	77,008,845 權
Site Inc. representative Allan Chou	77,029,921 權
CDIB Venture Capital Corporation representative Ryan Kuo	77,572,003 權
<b>Independent Director</b>	
Tan Hochen	77,232,821 權
Ethan Tu	77,194,667 權
Lambert Chien	77,102,542 權

Other Matters

**Item 1 (Proposed by the Board of Directors)**

Subject: Release of Directors from Non-Compete Restrictions  
 Explanatory Notes:

- (I) In accordance with Article 209 of the Company Act, a director who, for his own account or for the account of another person, engages in an act within the business scope of the Company shall explain to the shareholders' meeting the important content of his act and obtain their approval.
- (II) In order to make use of the expertise and relevant experience of the directors of the Company , it is propose to the shareholders' meeting to approve the lifting of the non-competition restrictions on the newly elected directors and their representatives.
- (III) List of the new directors have held offices of other companies as follows for discussion.

Director	Circumstances under which concurrent business competition is to be terminated
Hung-Tze Jan	Chairman: PCHOMESTORE INC., Eastern Online Co., Ltd., Eolembraim Co., Ltd., PChome eBay Co., Ltd., Site Inc.,Pi Mobile Technology Inc., PChome Interpay Inc., PC Home Online International Co. , (B.V.I.),PChome US Inc. 、 PChome CB Co., Ltd.,y 、 LinkTel Inc 、 PayEasy Digital Integration Co., Ltd., 、 PChome (Thailand) Co. , Ltd. 、 ECOSMOS PTE. Ltd 、 Yuntong Bao international information company 、 PChome Travel Inc., 、 PChome Express CO.Ltd., 、 CHT-PCH No.1 Inc., 、 Cornerstone Ventures 、 Mitch Co., Ltd.,PUMA Consultants, Ltd., 、 21st Financial Technology Co., Ltd. 、 YunTan Technology Inc., PChome Data Technology Co., Ltd. Rakuya International Info. Co., Ltd. Director:Meet Digital Innovation Co.,Ltd.,Independent Director of Sinyi Realty Inc.,, PChome Marketplace Inc.(Cayman) 、 PChome



	<p>Holding Inc. (BVI) 、 PC Home Online (Cayman) Inc. 、 PC Home Online (HK) Ltd., Independent Director, Remuneration Committee Member of Asmedia Technology Inc.,, Independent Director, Remuneration Committee Member and Audit Committee Member of of Lion Travel Service Co., Ltd., PChome CBS Co., Ltd., PChome CB PTE. Ltd. 、 Bibian Co., Ltd. 、 Business Next Media Corp., APUJAN LTD., 、 Newbloom Venture Co.,Ltd. 、 17LIFE Inc. 、 21st Financial Technology Co., Ltd. (Cayman), Shang-En Info Co.,Ltd..</p>
Alice Chang	<p>Chairman: Pin Technology Co., Ltd . SHANG-EN INFO CO., LTD.  Director: Yuntongbao International Information Co., Ltd.,21st Financial Technology Co., Ltd. 21st Century Digital Technology Co., Ltd. PChome (Thailand) Co. Ltd., UPN Information Co., Ltd.PCHOME ONLINE INTERNATIONAL CO. Ltd. (B. V. I.), PCHOME US INC.,Pi Mobile Technology Inc., PChome Express Co., Ltd., PChome CB Co., Ltd, PChome Data Technology Co., Ltd, and 21st Financial Technology Co. Ltd. (Cayman) 、 PChome Travel Inc.,</p>
Bruse Chou	<p>Chief Investment Officer and Chief Financial Officer, PChome Online Inc.  Director: 21st Financial Technology Co., Ltd., 21st Century Digital Technology Co., Ltd., Yuntong Bao International Information Corporation, 21st Financial Technology Co., Ltd. (Cayman) 、 AccuHit Tech Holdings Limited (Cayman) 、 Pi Mobile Technology Inc. 、 PChome Interpay Inc. 、 YunTan Technology Inc. 、 Junzhan Investment Limited 、 Taiwan Farm Industry CO., LTD. 、 CHT-PCH No.1 Inc., Cornerstone Ventures 、 Rakuya International Info. Co., Ltd. PChome Express Co., Ltd.,PChome eBay Co.,Ltd., Mitch Co., Supervisor:Mengjiong Influence Investment Inc.,, Pin Technology Co., Ltd.,, PChome Data Technology Co., Ltd., Nap Tea Co., Ltd., Shang-En Info Co.,Ltd. PChome CB Co.,</p>
Site Inc. representative Vicky Tseng	<p>Director and general manager of PChome eBay Co.,Ltd., Director of PChomeStore Inc.,,Director of PChome Travel Inc.,, Director of CHT-PCH No.1 Inc.,, Director of Cornerstone Ventures 、 Director of Ipevo Inc.. Director of Asia Yo Co., Ltd.</p>
Site Inc. representative Allan Chou	<p>Chairman of 21st Century Credit Management Co., Ltd.  Directors: 21st Financial Technology Co., Ltd., Pinqian International (Co., Ltd.), Yuxin International (Co., Ltd.), Tewe (Co., Ltd.), Weiting Industrial (Co., Ltd.), Mingyu Enterprise (Co., Ltd.), 21st Century Corporation, Yongfeng Corporation, Cherri Tech, Inc.  Supervisors: Jinghua Co., Ltd., Qingju Co., Ltd., Masterpiece Capital Art Co., Ltd., Mingpin Co., Ltd., Taiding Industrial Co., Ltd., 21st United Century Co., Ltd.</p>
CDIB Venture Capital Corporation representative Ryan Kuo	<p>Chairman: KATIE &amp; RYAN INTERNATIONAL CO., LTD.  Director:Kneron Holding Corporation,FunNow Ltd., Xrex Inc.,21st Century Digital Technology Co., Ltd. 21st Financial Technology Co., Ltd.(Cayman), Pi Mobile Technology Inc.,General Manager of CDIB Innovation Management Consultants Co., Ltd., General Manager of CDIB Capital Innovation Accelerator Co., Ltd. and Deputy General Manager of CDIB Innovation Management Consultants Co., Ltd.</p>
Tan Hochen	<p>Independent director of Groundhog Technologies Co., Ltd., Independent director of Yang Ming Shipping Co., Ltd., Director of KEDGE Construction Co., Ltd., and Director of Kindom Construction Co., Ltd.</p>
	<p>Chunghwa Telecom ) Co., Ltd. Independent Director</p>

Ethan Tu	Chairman and Chairman of Taiwan AI Labs & Foundation Director, Taiwan Creative Content Agency
Lambert Chien	KKCulture Inc. Chairman Manuscript Inc. Director KKCulture International Limited Director KKLIVE LIMITED Director KKVideo Limited Director KKFarm Inc. Director KKFarm International Limited Director JUST LIVE CO., LTD Director TVBS Media Inc Corporate director representative Respera Inc Director.

Resolution: The voting results of this case were that the total number of voting rights was 86,306,441 (including 16,950,438 electronic voting rights), 78,862,670 were in favor, 526,674 were against, the number of invalid rights was 0, the number of abstentions was 6,917,097, and the number of votes in favor accounted for the number of voting rights of shareholders present at the time of voting. 91.37%, this case was passed by voting as the original case

---

Special Motions

Shareholder No. 2228 asked whether there is a new layout or sales strategy for non-3C  
CEO's reply: Non-3C companies can frequently interact with consumers and make consumption a daily routine, so they are currently

1. Rebuild the supply chain, develop new manufacturers and recall lost manufacturers to improve product completeness.
2. Integrate promotional activities to make users feel intuitive.
3. In addition to the site-wide activity schedule, establish regular category day activities to increase users' awareness of the category's purchase on PChome based on the category.
4. Efforts to find out the fundamentals such as the differences between hot-selling categories and competitive websites.

After the chairman consulted all shareholders present, no other temporary motion was proposed.

---

Meeting adjourned

At 10:30 a.m. on the same day, the chairman adjourned the meeting.

## **PChome Online Inc. 2023 Business Report**

Dear Shareholders:

In 2023, PChome revitalized its operational infrastructure, rebuilt its brand image, enhanced the shopping experience, and improved operational efficiency. The Company launched Taiwan's first high-density AI technology and fully automated warehousing equipment at the PChome Linkou A7 Smart Logistics Park to boost shipment efficiency. Emphasizing a "user-first" core value, PChome is dedicated to making consumers feel a tangible change in their service. In the first half of 2023, following the pandemic, consumers returned to their normal physical consumption and lifestyle patterns. Additionally, the saturation of electronic consumer products post-pandemic impacted the overall growth momentum of the e-commerce industry, further deepening the decline in PChome's revenue growth for the period. In the second half of the year, as consumers increasingly ventured outdoors and overall consumption demand gradually warmed up, there was significant growth in orders for travel-related electronic tickets and travel accessories. The demand for 3C home appliances also saw a rise, gradually narrowing the year-on-year decline. It is expected that growth momentum will be regained in 2024. In addition to its core e-commerce operations, PChome's subsidiaries continued to introduce innovative services, focusing resources to leverage synergies across the Group, thus contributing continuously to the Group's profitability. In 2023, the consolidated operating income was NT\$41.1 billion, with a 10.91% decrease from the previous year; the consolidated net loss after tax was NT\$528 million in 2023.

Operational highlights in 2023 are summarized as follows:

I. Continuously launching innovative differentiated services to integrate the brand into consumers' daily lives

PChome 24h Shopping has initiated the "Hami Point Redemption Scheme" in alliance with Chunghwa Telecom, enabling Chunghwa Telecom's extensive customer base to conveniently redeem points for purchases on PChome 24h Shopping. In collaboration with physical outlets, we have launched the pioneering "PChome 24h Shopping Installation Service Center," which introduces value-added services for 3C products, thus crafting a new OMO (Online Merge Offline) retail scenario. Together with our subsidiary, e-Insure, we have introduced a comprehensive e-commerce service

"Home Appliance Assurance," extending warranties up to three years. In partnership with 7-ELEVEN, we offer a "Large Item Pickup Service," providing consumers with more flexible and convenient delivery options. We have expanded our PChome Express Delivery Service to cover nine counties and seventy districts in northern, central, and southern Taiwan, and in collaboration with Uber Direct, we are optimizing our logistics experience in the Taipei and New Taipei areas. Our BOXMAN brand packaging has been redesigned to enhance customer brand awareness. In the fourth quarter, we launched BOXMAN-branded toilet paper, embedding our brand into consumers' everyday lives.

## II. Optimizing shopping flow to enhance the mobile shopping experience

The revamp of the mobile shopping process has enhanced the app's user rating to 4.8 stars. The precision of the on-site search function has been optimized, resulting in a significant increase in product click-through rates. Enhanced search engine capabilities now include additional product attribute filters, allowing consumers to find products faster and more accurately. The redesign of the shopping page has made product features and promotional discounts more visible, effectively increasing the checkout rate of shopping carts. The user product reviews feature, launched at the end of the year, has accumulated several hundred thousand user comments and tens of thousands of responses from vendors. With 96% of the reviews being positive, it provides valuable information for consumers making purchasing decisions.

## III. Building a product data labeling database for structural adjustments and supply chain enhancement

Millions of products are labeled according to their usage, attributes, and categories to establish a database aimed at business analytic. This system leverages data-driven insights to analyze consumer behaviors and explore order dynamics, enabling proactive measures. It includes tracking first-party data, segmenting members, re-engaging churned users, implementing targeted personalized marketing, and preparing for future AI applications. Centered around data capabilities, we are also developing empowering services for suppliers, continually collaborating with major manufacturers to create mutual benefits.

## IV. Enhancing warehouse operational efficiency and optimizing operating

costs

The full-floor activation of the PChome Linkou A7 Smart Logistics Park has significantly improved shipping efficiency and substantially reduced the costs associated with manual warehouse maintenance. The A7 Smart Logistics Park now handles over 60% of the total order volume. Through precise management of server costs, payment processing fees, and other expenditures, we have successfully reduced operational costs.

V. We have fully leveraged the comprehensiveness resources of our subsidiaries and contributed to the profits of the group

21 FINTECH has partnered with Chunghwa Telecom to become the first telecommunications provider in Taiwan to offer the "iPhone for Life" subscription plan. Additionally, they have launched a laptop subscription scheme in collaboration with ASUS. The deficit of its subsidiary, Pi Wallet, has significantly narrowed. TapPay, a technology arm of Cherri Tech, Inc., has become a Tier 1 partner in the Asia-Pacific region for Apple's Apple Tap to Pay, extending its services offline. This expansion helps small businesses transform their smartphones into payment terminals, enhancing efficiency. After the merger of Ruten and PChome Store, the focus has shifted to three main strategies: cultivating online business communities, leveraging repeat customer economies, and diversifying operations. The synergistic effects and operational efficiency from the merger have shown substantial improvement. Bibian, a specialist in cross-border bidding and shopping from Japan, has formed alliances with local Japanese logistics, China Airlines, Peach Aviation, and FamilyMart in Taiwan to provide faster cross-border product sales, enhanced delivery and pickup services, and innovative marketing activities. E-Insure has partnered with FamilyMart to offer online insurance services across more than 4,200 stores throughout Taiwan.

#### Outlook for 2024

Looking ahead to 2024, PChome will continue to actively strengthen its operational framework, focusing on membership management and increasing the proportion of active users, while also reshaping its brand image to enhance consumer mindshare. With optimism about the rebound in the 3C market, PChome aims to create differentiation through value-added services and unique product offerings. Upholding the core philosophy of "user-first, integrated into daily life," PChome plans to expand its

household goods category. This includes enhancing product assortment and competitive pricing, improving gross margin structure, and rebuilding supplier relationships to create mutual benefits. To maximize operational efficiency, PChome will continue to optimize the efficiency of its automated warehousing while also expanding its third-party warehousing services. This strategy aims to provide high-quality warehousing solutions to the e-commerce industry.

We wish all shareholders  
all the best and good health.

PChome Online Inc.

Chairman	Hung-Tze Jan
General Manager	Yu-Shan Chang

PChome Online Inc.  
Audit Committee's Review Report

Approval for

The Board of Directors has prepared the Company's parent company only and consolidated financial statements for 2023, which were audited by certified public accountants of KPMG, Pearl Chen and Lillian Lien. The aforementioned financial statements, along with 2023 Business Report and Deficit Compensation proposal, have been reviewed and determined to be correct by the Audit Committee. We hereby submit this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

the Company's 2024 Annual Shareholders' Meeting

Convener of the Audit Committee

He Chendan

Mar 23, 2024