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PChome Online Inc.

2024 Annual Report

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Notice to Reader:

For the convenience of readers, this report has been translated into English from the original Chinese version, prepared and used in the Republic of China. The English version has not been audited or reviewed by independent auditors. If there are any discrepancies between the English version and the original Chinese version, or any difference in the interpretation of the two versions, the Chinese-language report shall prevail.

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Chapter 1. Letter to Shareholders

Dear Shareholders:

Under the increasingly intense competition in the e-commerce and retail industries, in 2024, PChome adhered to its core value of "customer-first" and continued to promote "meaningful changes," bringing innovative services to consumers, suppliers, and partners. PChome's B2C e-commerce business remained focused on optimizing product sales composition, gross margin structure, and expenses, aiming for healthy revenue growth. Moreover, through efforts in resource integration and structural adjustments, the Group's reinvested subsidiaries moved towards either achieving profit growth or narrowing losses. In 2024, consolidated operating revenue reached NT\$37.6 billion, and consolidated net loss after tax narrowed to NT\$430 million, a reduction of nearly NT\$100 million. Financial performance continued to improve, progressing steadily towards the goal of reversing from decline to growth in both revenue and profitability.

Operational highlights in 2024 are summarized as follows

Continuously launching innovative services and deepening platform differentiation to integrate the brand into consumers' daily lives

PChome's B2C e-commerce business focused on enhancing the core service value of 3C appliances and strengthening the breadth and completeness of general merchandise categories, while also deepening member engagement and platform differentiation through cross-industry alliances and the launch of innovative OMO services, actively reshaping our brand image and integrating into consumers' daily lives.

Following the launch of the "Extended Warranty Service for Large Domestic Appliances," a first among large-scale comprehensive e-commerce platforms in 2023, in 2024, PChome further innovated by introducing the "Rapid Installation for Large Domestic Appliances" service, offering next-day delivery and installation to enhance the convenience of online appliance shopping. Meanwhile, for 3C products, the existing "Trade-in for Phones" service was upgraded to the "3C Trade-in Service," covering phones, tablets, laptops, and wearable devices, allowing customers to easily recycle old devices and exchange them for P-coins. Furthermore, following the launch of the "Onsite Installation Service Center" last year, in 2024, PChome newly introduced the "Laptop Extended Warranty Service," providing more comprehensive after-sales value-added services. As a leading channel for 3C appliances among large-

scale comprehensive e-commerce platforms, PChome 24h Shopping continues to deepen its core service values, from easy trade-ins before purchase to enhanced peace of mind with post-purchase services, comprehensively optimizing the consumer journey and continuously strengthening the brand image of "Buy 3C appliances, go to PChome," thereby consolidating platform competitiveness. Through these innovative initiatives, PChome aims to drive consumers to upgrade their devices and hope to bring growth in sales of the 3C appliances category.

In terms of strategic partnerships and cross-industry alliances, PChome collaborated with Chunghwa Telecom to promote a bilateral membership program, including the launch of the annual joint service plan "5G Easy Plan+" and expanded outreach through the "Hami Shopping" platform to reach a broad base of Chunghwa Telecom users. This initiative also allowed "Hami Points" to be directly redeemed on the PChome 24h Shopping site, thereby enhancing the synergy of the points ecosystem. Plus, PChome partnered with DBS Bank to deepen loyal customer engagement by launching the refreshed "PChome Prime Co-branded Card," featuring a brand-new design with the PChome mascot, BOXMAN, and continuing to offer an appealing 6% of cash rewards and a variety of exclusive benefits. In addition, the "Pokémon Store," the official online flagship store for Pokémon, opened exclusively on PChome 24h Shopping, attracting over 60,000 visitors on its first day, demonstrating strong market appeal and growth potential.

To actively reshape customer brand awareness, PChome further leveraged its mascot, BOXMAN, to embed into consumers' daily lives. Following the sustained strong sales of BOXMAN-branded tissue paper launched in the fourth quarter of 2023, PChome expanded in 2024 by introducing a range of new IP co-branded products, such as wet wipes. Besides, PChome initiated a complete brand revamp in 2024, launching the "Everyday Better with PChome 24h" campaign, emphasizing that "Everyday pain points can be quickly solved through PChome 24h Shopping, making life better," aiming to continuously refresh and deepen brand trust and further strengthen consumer brand preference.

Actively enhancing consumer experience and continuously optimizing the shopping journey

With ongoing efforts in recent quarters to comprehensively revamp and upgrade both the App and web platforms, PChome introduced multiple new features to optimize the entire shopping experience, from browsing, searching, and selecting products to checkout, driving positive growth in App-based member orders

throughout the year. The App received a 4.8-star rating on both the Apple App Store and Google Play, demonstrating strong consumer recognition. In the fourth quarter of 2024, PChome launched the "Intelligent Customer Service," enabling consumers to resolve shopping inquiries more instantly and significantly improving service efficiency. At the same time, the new "Image Search" feature was added, making it more intuitive and convenient for consumers to find products.

Expanding e-commerce empowerment services and newly launching the retail media network

While continuing to expand its third-party warehousing services to provide high-quality enablement solutions for the e-commerce industry, PChome also launched its brand-new retail media advertising service, PChome Ads, prior to the Double 11 shopping festival in 2024. Leveraging PChome's extensive and robust first-party data, PChome Ads drives marketing strategies through deep data applications, helping partners accurately target audiences and improve advertising effectiveness. During the fourth quarter's peak sales season, PChome Ads already demonstrated outstanding performance. In 2025, efforts will continue to focus on deepening data applications, integrating AI technologies, developing intelligent advertising tools, and enhancing on-site advertising efficiency, strengthening service competitiveness, and fostering win-win collaborations with major brands.

Continuously enhancing warehouse operational efficiency and optimizing operating costs

PChome's Linkou A7 Smart Logistics Park, the first e-commerce warehouse in Taiwan to implement the highest density of AI technologies and fully automated storage equipment, now accounts for 60% of PChome 24h Shopping's total order shipments. Since the full-scale launch of the A7 facility in October 2023, PChome has continuously optimized overall warehouse operational efficiency, significantly reducing manual warehouse operating costs. Moreover, the delivery capacity of PChome Express, has also been steadily improved, now covering 70 administrative districts across nine counties and cities in northern, central, and southern Taiwan, with in-house logistics deliveries accounting for nearly 60% of total shipments.

Subsidiaries steadily contributing to profitability, demonstrating the Group's synergy from resource integration

Subsidiaries in fintech, marketplace operations, and Japanese cross-border e-commerce services continued to contribute stable profits to the Group. The Fintech subsidiary, 21st Fintech, after pioneering the subscription model for mobile phones

and laptops, introduced the market's first "bicycle subscription service" in 2024 through a partnership with Giant, and collaborated with Data Express to launch the "iPhone Subscription Plan," further expanding the diversity of its subscription product offerings. The company's business development and profitability remained strong, and in 2024, it was successfully selected for the overseas startup training program in preparation for listing on the Tokyo Stock Exchange. Bibian, specializing in Japan cross-border proxy bidding and purchasing services, launched a "Bibian Japanese Goods Section" through the FamilyMart member App in 2024, successfully reaching new customer segments and driving its total membership to grow by more than double compared to the previous year, while steadily increasing overall revenue and profit. The marketplace operations division continued to integrate business operations, optimize operational efficiency, and drive operating profit growth. Additionally, it initiated a strategic partnership with CYBERBIZ to establish a new business model offering "platform + brand website" dual-platform store opening services.

Strengthening corporate governance and sustainable development

Despite the challenges of transformation, PChome has remained committed to ESG principles, continuously and prudently reviewing and advancing improvement plans from the three key aspects of corporate governance, environmental protection, and social responsibility. PChome has firmly embedded the concept of sustainability into its business strategies, actively responding to the concerns of all stakeholders. This year, PChome was awarded the "2024 17th TCSA Taiwan Corporate Sustainability Awards – Gold Award for Sustainability Report (Category 1: Trading and Retail)," demonstrating its proactive efforts and achievements in promoting sustainable development. Besides, PChome 24h Shopping's efforts in consumer protection, providing a safe shopping environment, and ensuring corporate sustainability have been highly recognized by competent authorities, earning the certification of the "First Friendly E-Commerce Award" from the Ministry of Digital Affairs.

Future Outlook

PChome will continue to focus on optimizing user experience, strengthening product competitiveness, and deepening data applications. Through diverse and in-depth collaborations with strategic partners, we aim to build a more competitive e-commerce ecosystem and deliver a more complete shopping experience for consumers. We remain cautiously optimistic about our future business prospects and will uphold our principle of prudent management to continue creating long-term value for the Company. We sincerely thank all shareholders for their enduring support

and trust in PChome. PChome will continue to deepen its market presence and steadily move forward toward long-term growth.

Wishing all shareholders

Good health, peace in mind, and happiness

PChome Online Inc.

Chairman Hung-Tze Jan

General Manager Alice Chang

Chapter 2. Corporate Governance Report

1 Board of Directors and Executive Management

(1) Directors' Profiles

As of 30 April, 2025

Title	Nationality / Country of Origin	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives or Directors Who are Spouses or within two degrees of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Hung-Tze Jan	Male 61~70	2024.06.19	3 years	1999.12.09	2,880,746	2.00%	2,880,746	1.40%	0	0%	0	0%	Department of Economics, National Taiwan University Editor of the Commentary Section of United Daily News General Manager of Yuan-Liou Publishing	Note2	None	None	None	None
Director Corporate shareholder	R.O.C.	Site Inc.	NA	2024.06.19	3 years	2002.06.11	18,907,864	13.13%	18,907,864	9.19%	0	0%	0	0%	None	None	None	None	None	None
Director (Corporate representative)	R.O.C.	Chen-Te Lin (Note 1)	Male 61~70	2025.02.14	3 years	2025.02.14	0	0%	0	0%	0	0%	0	0%	MBA, National Taiwan University Master of Laws, National Chengchi University Managing Director and Senior VP, Yahoo Taiwan	Note2	None	None	None	None
Director (Corporate representative)	R.O.C.	Chang-Hsi Hu (Note 1)	Male 51~60	2025.02.14	3 years	2025.02.14	0	0%	0	0%	0	0%	0	0%	Department of Mechanical Engineering, Nanya Institute of Technology GM, Retail Support International	Note2	None	None	None	None
Director Corporate shareholder	R.O.C.	CDIB Venture Capital Corporation	NA	2024.06.19	3 years	2022.06.22	1,875,293	1.30%	1,875,293	0.91%	0	0%	0	0%	None	None	None	None	None	None

Title	Nationality / Country of Origin	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives or Directors Who are Spouses or within two degrees of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director (Corporate representative)	R.O.C.	Ryan Kuo	Male 51~60	2024.06.19	3 years	2022.06.22	0	0%	0	0%	0	0%	0	0%	Bachelor in Electrical Engineering, National Taiwan University General Manager, CDIB Innovation Management Consultants Co., Ltd.	Note2	None	None	None	None
Independent Director	R.O.C.	Tan Hochen	Male 71~80	2024.06.19	3 years	2021.07.29	0	0%	0	0%	0	0%	0	0%	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	Note2	None	None	None	None
Independent Director	R.O.C.	Yi Jin Tu	Male 41~50	2024.06.19	3 years	2023.06.28	0	0%	0	0%	0	0%	0	0%	Master of Information, National Taiwan University Founder of Taiwan AI Labs Founder of PPT	Note2	None	None	None	None
Independent Director	USA	Lambert Chien	Male 41~50	2024.06.19	3 years	2024.06.19	0	0%	0	0%	0	0%	0	0%	Master of Electrical Engineering, Stanford University Chairman of KKCulture Inc	Note2	None	None	None	None

Note 1. On February 14, 2025, the original corporate director representatives, Vicky Tseng and Allan Chou, were replaced by Chen-Te Lin and Chang-Hsi Hu. Subsequently, Directors Alice Chang and Bruce Chou tendered their resignations on March 31, 2025.

Note 2. Current Concurrent Positions Held by Directors in This Company and Other Companies

Title	Name	Concurrent Positions Held in the Company and Other Companies
Chairman	Hung-Tze Jan	Chairman: PCHOMESTORE INC. 、Eastern Online Co., Ltd. 、Eolembrair Co., Ltd. 、PChome eBay Co., Ltd. 、Site Inc. 、Pi Mobile Technology Inc. 、Rakuya International Info. Co., Ltd. 、PC Home Online (HK) Ltd. 、PChome US Inc. 、PChome CB Co., Ltd. 、LinkTel Inc. 、PayEasy Digital Integration Co., Ltd. 、PChome (Thailand) Co., Ltd. 、PChome Travel Inc. 、PChome Express Co., Ltd. 、CHT-PCH No.1 Inc. 、Mitch Co., Ltd. 、PUMA Consultants, Ltd. 、YunTan Technology Inc. 、PChome Data Technology Co., Ltd. 、WS Fashion Group Co., Ltd. 、21st Financial Technology Co., Ltd. (JP) Director: Meet Digital Innovation Co., Ltd. 、PChome CBS Co., Ltd. 、PChome CB PTE. Ltd. 、Business Next Media Corp. 、APUJAN Ltd. 、17LIFE Inc. 、21st Financial Technology Co., Ltd. (Cayman) 、Newbloom Venture Co., Ltd. 、Shang-En Info Co., Ltd. 、ECOSMOS PTE. Ltd. 、Bibian Co., Ltd.、 Shang Shan Human Culture Foundation、 TCCFE Independent Director／Remuneration Committee Member: Sinyi Realty Inc. 、Asmedia Technology Inc.
Director	Chen-Te Lin	Director: PAYUNi co. Ltd. Head of digital business development center, President Chain Store Corporation
Director	Chang-Hsi Hu	Director: Retail Support International 、UNI-PRESIDENT COLD-CHAIN CORP. 、WISDOM DISTRIBUTION SERVICE CORP. 、PRESIDENT TRANSNET CORP. 、PRESIDENT COLLECT SERVICE CORP. Chief Logistics Officer, President Chain Store Corporation
Director	Ryan Kuo	Chairman: KATIE & 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.
Independent Director	Tan Hochen	Independent Director of Groundhog Inc. 、Director of Kedge Construction Co., Ltd. 、Director of Kindom Development Co., Ltd. 、Chairman of Taiwan Ecological Engineering Development Foundation
Independent Director	Yi Jin Tu	Chairman of AIF 、TAIWAN AI ENGINE CO., LTD. 、YaTing Intelligence Co., Ltd. 、TAIGenomics Co., Ltd. 、DronEye CO., LTD. 、Source Intelligence Co., Ltd. 、Taiwan Medical Imaging Co., Ltd. Independent Director of Chunghwa Telecom Co., Ltd.
Independent Director	Lambert Chien	Director: JUST LIVE CO., LTD. 、TVBS MEDIA INC. 、King's Sports Co. Ltd.

① Major Shareholders of the Corporate Shareholders

As of April 30, 2025

Name of Corporate Shareholder	Major Shareholders of the Corporate Shareholders
Site Inc.	PUMA Consultants, Ltd. (20.87%), HILDER Investment Limited (13.88%), Fei-Peng Ho (5.24%), Su-Yuen Pan (4.52%), Cite Publishing Ltd. (3.88%), Chun-Chi Chou (3.63%), Sung-Mao Cheng (3.04%), Jen-Chiang Hsu (2.74%), Li-Chu Tsai (2.26%), Jerry Hsu (1.82%)
CDIB Venture Capital Corporation	CDIB Capital Group 100%

② Major Shareholders of Institutional Shareholders

As of April 30, 2025

Name of Corporate Shareholder	Major Shareholders of the Corporate Shareholders
HILDER Investment Limited	Arthur Lee (100%)
PUMA Consultants, Ltd.,	Hung-Tze Jan (96.52%)
Cite Publishing Ltd.	Media Focus Malaysia Co., Ltd. (100%)
CDIB Capital Group	KGI Financial Holding Co., Ltd. (100%)

③ Directors' Education Training

Title	Name	Date		Sponsoring Organization	Course	Duration (Hours)
		From	To			
Chairman	Hung-Tze Jan	2024.11.13	2024.11.13	TCGA	ESG Trends, Practices, and Updates on Regulations	3
					Optimization of Green Supply Chains and Digital Maturity	3
Director	Alice Chang	2024.11.13	2024.11.13	TCGA	ESG Trends, Practices, and Updates on Regulations	3
					Optimization of Green Supply Chains and Digital Maturity	3
Director	Bruce Chou	2024.11.13	2024.11.13	TCGA	ESG Trends, Practices, and Updates on Regulations	3
					Optimization of Green Supply Chains and Digital Maturity	3
Director	Vicky Tseng	2024.11.13	2024.11.13	TCGA	ESG Trends, Practices, and Updates on Regulations	3
					Optimization of Green Supply Chains and Digital Maturity	3
Director	Allan Chou	2024.11.13	2024.11.13	TCGA	ESG Trends, Practices, and Updates on Regulations	3
					Optimization of Green Supply Chains and Digital Maturity	3
Director	Ryan Kuo	2024.11.13	2024.11.13	TCGA	ESG Trends, Practices, and Updates on Regulations	3
					Optimization of Green Supply Chains and Digital Maturity	3

Title	Name	Date		Sponsoring	Course	Duration
Independent Director	Tan Hochen	2024.11.13	2024.11.13	TCGA	ESG Trends, Practices, and Updates on Regulations	3
					Optimization of Green Supply Chains and Digital Maturity	3
Independent Director	Lambert Chien	2024.11.13	2024.11.13	TCGA	ESG Trends, Practices, and Updates on Regulations	3
					Optimization of Green Supply Chains and Digital Maturity	3
Independent Director	Yi Jin Tu	2024.08.05	2024.08.05	TCGA	Sustainability and Smart Healthcare	3
		2024.05.13	2024.05.13	ITRI	Opportunities and Challenges of Generative AI	3

④ Directors' Professional Qualifications and Independent Disclosure of Independent Directors

Conditions Name	Professional qualifications and experiences	Independence Criteria (Two years before election and period of office)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Hung-Tze Jan Director	<p>Graduated from the Department of Economics, National Taiwan University as a writer, editor, filmmaker, publisher of Digital Age, and Entrepreneur Behind PChome Online Group and Cite Publishing Limited. He has served as director and supervisor of many publishing and information related industry associations in Taiwan, and chairman of Taipei Magazine Association. With more than 40 years of media experience, he has worked in "United Daily", "China Times", Yuanliu Publishing Company, Rolling Stone Records, China TV, "Business Weekly" and has curated and compiled over 1,000 books. And founded "Computer Home", "Digital Age" and more than 40 kinds of magazines.</p> <p>In 1995, he pioneered Cite Publishing Group, bringing new power to the transformation of Taiwan's publishing industry. In 1997, he was awarded the Diamond Medal by Taiwan People Magazine; Received the Special Jury Award at the 2nd Golden Tripod Awards for Digital Publishing from the Government Information Office in 2008, the Yang Shiqi Award for Outstanding Contribution at the 2017 Taipei Film Festival, and the Wenxie Medal from the Ministry of Culture in 2021</p> <p>Regardless of the book on cultural trends, creative production, social and economic issues, they are the indicators of Taiwan's cultural and Internet industry. Over the years, his books, Trends, Urban Observation, Creatives, Urban People, etc. have been a must-read for workers working in the creative industry.</p> <p>Has more than 5 years of work experience and professional qualifications required for corporate business. Do not fall under any of the conditions specified in Article 30 of the Company Law.</p>	Not having spouse or relative relationship with other directors, and not subject to any of the circumstances stipulated in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	2

Conditions Name	Professional qualifications and experiences	Independence Criteria (Two years before election and period of office)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Corporate representative of Site Inc.: Chen-Te Lin Director	Graduated from MBA, National Taiwan University and Master of Laws, National Chengchi University, he is currently head of digital business development center of President Chain Store Corporation. With over 28 years of experience in the internet industries, he has specialized in online media, e-commerce, product development, and e-commerce operations management. In the field of e-commerce, he has driven the integrated development of digital media and online commerce, with a strong focus on technological and service innovation to enhance operational efficiency and product competitiveness. Experience in strategic management, internet product and technology development, e-commerce operations, and digital industry expertise. Has more than 5 years of work experience and professional qualifications required for corporate business. Do not fall under any of the conditions specified in Article 30 of the Company Law.	Not having spouse or relative relationship with other directors, and not subject to any of the circumstances stipulated in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	0
Corporate representative of Site Inc.: Chang-Hsi Hu Director	Graduated from Department of Mechanical Engineering, Nanya Institute of Technology, currently serves as Chief Logistics Officer of President Chain Store Corporation. With over 30 years of experience in the logistics industry, he has been involved in the development of numerous cold chain and automated logistics warehousing facilities, possessing professional expertise in the construction and integration of logistics automation systems. Has more than 5 years of work experience and professional qualifications required for corporate business. Do not fall under any of the conditions specified in Article 30 of the Company Law.	Not having spouse or relative relationship with other directors, and not subject to any of the circumstances stipulated in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	0
Corporate representative of CDIB Venture	Graduated from the Department of Electrical Engineering at National Taiwan University, and has been involved in the establishment of the CDIB Innovation Accelerator Fund since 2015.	Not having spouse or relative relationship with other directors, and not subject to any	0

Conditions Name	Professional qualifications and experiences	Independence Criteria (Two years before election and period of office)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Capital Corporation: Ryan Kuo Director	Currently serves as the Managing Director of the Fund. Previously founded MoArt Semiconductor Corp. as General Manager, led the R&D team to design many of the world's leading wireless communication chips, with over 20 years of experience in the high-tech field. Specializing in corporate financial investment and industry research and analysis, with business, finance, investment strategy and other company business experience, can provide high value-added services for company operation management. Has more than 5 years of work experience and professional qualifications required for corporate business. Do not fall under any of the conditions specified in Article 30 of the Company Law.	of the circumstances stipulated in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	
Tan Hochen Independent Director	He holds a bachelor's degree in civil engineering from National Chung Hsing University and a master's degree in urban planning from Virginia Polytechnic Institute and State University. He is currently the chairman of Taiwan Ecological Engineering Foundation. He also used to serve as the political deputy minister of Ministry of Transportation and Communications, the member and CEO of National Land Conservation and Development Advisory Committee of Presidential Office of Republic of China, the commissioner of Department of Transportation of Taipei City Government, the deputy director of Department of Rapid Transit Systems of Taipei City Government, the minister of Ministry of Transportation and Communications, the chairman of Chunghwa Telecom Co., Ltd. and the chairman of Taipei Rapid Transit Corporation. Serving as a member of the Company's Audit Committee and Compensation Committee. During his tenure at Chunghwa Telecom, in order to strengthen its competitiveness in the market, he continued to promote the privatization of the business unit of the Directorate General of Telecommunications,	Not having spouse or relative relationship with other directors, and not subject to any of the circumstances stipulated in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	1

Conditions Name	Professional qualifications and experiences	Independence Criteria (Two years before election and period of office)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	<p>originally one of the state-owned companies, holding fixed-line, long-distance telephone, and mobile communications businesses, by releasing shares and restructuring the organization. He also introduced applied technologies to Chunghwa Telecom, such Hinet Broadband Internet Services and MOD. All of the aforesaid contributions he made to Chunghwa Telecom allowed smooth progress in the privatization and organizational improvement of Chunghwa Telecom.</p> <p>Has more than 5 years of work experience and professional qualifications required for corporate business. Do not fall under any of the conditions specified in Article 30 of the Company Law.</p>		
Yi Jin Tu Independent Director	<p>Master of Information, National Taiwan University Chairman of AIF Founder of Taiwan AI Labs Experience: Former Chief Technology Officer for Microsoft Asia-Pacific, responsible for leading AI services development across the region; former Principal Development Manager at Microsoft AI & Research; Founder of the PTT Bulletin Board System (PTT BBS). Currently serves as a member of the Company's Audit Committee and Remuneration Committee.</p> <p>Expertise / Research Interests: Artificial Intelligence, AI Data Governance, Software Platform R&D, and Digital Talent Development.</p> <p>Has more than 5 years of work experience and professional qualifications required for corporate business. Do not fall under any of the conditions specified in Article 30 of the Company Law.</p>	Not having spouse or relative relationship with other directors, and not subject to any of the circumstances stipulated in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	1

Conditions Name	Professional qualifications and experiences	Independence Criteria (Two years before election and period of office)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Lambert Chien Independent Director	<p>Holds a Master's degree in Electrical Engineering from Stanford University. Currently serves as a director of Just Live Co., Ltd., TVBS Media Inc., and King's Sports Co., Ltd. He is also a member of the Company's Audit Committee and Remuneration Committee.</p> <p>Mr. Lambert Chien is the founder and operator of KKBOX, a highly successful local digital content and music streaming platform. Its parent company, KKCompany Technologies, has experience in pursuing a public listing. With his youth, diverse perspective, and entrepreneurial mindset, Mr. Chien brings valuable contributions to the effective functioning of the Board.</p> <p>Has more than 5 years of work experience and professional qualifications required for corporate business. Do not fall under any of the conditions specified in Article 30 of the Company Law.</p>	Not having spouse or relative relationship with other directors, and not subject to any of the circumstances stipulated in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	0

Note: The original corporate director representatives, Vicky Tseng and Allan Chou, were replaced on February 14, 2025, with the appointment of Chen-Te Lin and Chang-Hsi Hu as the new corporate director representatives. Director Alice Chang and Bruce Chou resigned on 2025/03/31.

⑤ Board Diversity and Independence

Board Diversity

The composition of the Company's Board of Directors is based on the principle of diversity. The nomination and selection process for directors adheres to the principles of fairness, impartiality, and transparency, and is conducted in accordance with the Company's Articles of Incorporation and Corporate Governance Best Practice Principles. Candidates are selected based on their industry experience and professional expertise, ensuring they possess the knowledge, skills, and character necessary to fulfill their duties.

According to the Company's Code of Practice, the composition of the board of directors should consider diversity and formulate appropriate diversification policies for operation, operation and development needs, including:

- (i) Basic criteria and values: gender, age, country and culture.
- (ii) Professional knowledge and skills: professional background, professional skills and industry experience.
- (iii) Corporate sustainability and social engagement

In accordance with Chapter 3, Article 20 of the "Corporate Governance Best-Practice Principles" established by the Company, the Board members shall generally possess the knowledge, skills and literacies necessary for the performance of their duties. To achieve the desired objectives of corporate governance, the Board as a whole shall have the following capabilities:

- (a) Operational judgment skills
- (b) Accounting and financial analysis skills
- (c) Operational management skills
- (d) Crisis management skills
- (e) Industry knowledge
- (f) International market view
- (g) Leadership
- (h) Decision making
- (i) Information technology
- (j) Awareness of regulatory compliance

In 2024, the Company's Board of Directors was composed of nine members, including three natural-person directors, three corporate representative directors, and three independent directors (accounting for 33.3% of the Board). The current

independent directors were elected in 2024 and continue to maintain their independence.

Board members possess diverse professional backgrounds in law, accounting, finance, marketing, and technology. The composition includes individuals with experience as cabinet-level officials in the public sector and as chairpersons of technology manufacturing groups. Leveraging their respective expertise, the directors collectively demonstrate capabilities in business judgment, accounting and financial analysis, corporate management, crisis response, industry knowledge, international market insight, and leadership and decision-making.

All directors possess the knowledge, skills, ethics, and industry-specific decision-making and management competencies necessary for the execution of their duties. The Company also places a high value on directors' individual reputations for ethical conduct. To further strengthen the Board's functions, the Company continuously provides a wide range of training programs for directors and regularly conducts performance evaluations to enhance decision-making quality and supervisory effectiveness.

In line with the principle of gender equality, the Company has included female directors since its inception, with at least one female director in every board term. The Company has also set a target to increase the proportion of female directors in the coming years.

Management objectives	Achievement status in 2024
25% or more female directors (or at least one female director)	✓
35% or more independent directors (or at least 3 independent directors and not less than 20% of the total number of directors)	✓
Directors concurrently serving as managerial officers of the company shall not exceed one-third of the number of directors (see Article 20, Paragraph 3 of the "Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies").	✓
The Board as a whole has the top 10 corporate governance competencies	✓
The Board as a whole has professional backgrounds in accounting, law, marketing, production management and operations management and the like.	✓

Diversity policy of the Company's current Board members and its implementation

Title	Basic composition						Industry experience								Professional competence		
	Name	Nationality	Gender	Employee status	age	Independent directors' years of service			IT applications	Communication technology	Finance	Business & Supply	Professional Services and Marketing	Internet technology	Law	Accounting	Risk management
						> 3	3-5	6 - 9									
Chairman	Hung-Tze Jan	R.O.C.	Male		61-70				✓	✓	✓	✓	✓	✓			✓
Director	Alice Chang (Note)	R.O.C.	Female	✓	41-50				✓	✓	✓	✓	✓	✓			✓
Director	Bruce Chou (Note)	R.O.C.	Male	✓	41-50				✓	✓	✓	✓	✓	✓		✓	✓
Director	Chen-Te Lin (Note)	R.O.C.	Male		61-70				✓	✓		✓	✓	✓			✓
Director	Chang-Hsi Hu (Note)	R.O.C.	Male		51-60				✓	✓		✓	✓				✓
Director	Vicky Tseng (Note)	R.O.C.	Female	✓	41-50				✓	✓	✓	✓	✓	✓		✓	✓
Director	Allan Chou (Note)	R.O.C.	Male	✓	31-40				✓	✓	✓	✓	✓	✓			✓
Director	Ryan Kuo	R.O.C.	Male		51-60				✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	Tan Hochen	R.O.C.	Male		71-80		✓		✓	✓		✓	✓	✓			✓
Independent Director	Yi Jin Tu	R.O.C.	Male		41-50	✓			✓	✓		✓	✓	✓			✓
Independent Director	Lambert Chien	USA	Male		41-50	✓			✓	✓		✓	✓	✓			✓

Note: The original corporate director representatives, Vicky Tseng and Allan Chou, were replaced on February 14, 2025, with the appointment of Chen-Te Lin and Chang-Hsi Hu as the new corporate director representatives. Director Alice Chang and Bruce Chou resigned on 2025.03.31

- A. In measuring 9 members (including 3 independent directors) of the Company's current Board of Directors, they as a whole possess competencies of business judgment, leadership and decision-making, operation and management, international market perspective and crisis management, as well as have industry experiences and technical expertise.
- B. The average tenure of the Company's board members is five years. The three independent directors have each served for less than four years, having been appointed in the current term. Except for Mr. Chien, who holds U.S. citizenship, all other board members are nationals of the Republic of China (Taiwan).

In 2024, the Board consisted of three independent directors (33.3%) and four directors concurrently holding employee positions (44.4%). In 2025, no board members concurrently hold employee status.

- The age distribution of board members in 2024 was as follows:
director aged 31~40, 5 directors aged 41~50, 1 director aged 51~60, 1 director aged 61~70, 1 director aged 71~80 ;
- In 2025, the age distribution is as follows:
2 directors aged 41~50, 2 directors aged 51~60, 2 directors aged 61~70, 1 director aged 71~80

The Company is committed to gender equality in the composition of the Board. In 2024, the Board included two female members, representing 22.2% of the total. The Company will continue its efforts to increase the proportion of female directors in the future.

C. The orientation, complementarity and implementation of director diversity has met the criteria set out in Article 20 of the Company's "Corporate Governance Best-Practice Principles." In the future, the Company will continue to revise its director diversity policy with respect to the operation, business model and development needs of the Board, including but not limited to the standards of two major aspects, namely basic qualifications and values vs. expertise and skills. In doing so, it is to ensure that Board members would generally possess the knowledge, skills and literacies necessary to perform their duties.

Independence of the Board:

The Company's Board of Directors supervises the company's development strategy, oversees management and is responsible for the company's shareholders. In the operation and arrangement of the corporate governance system, the Board of Directors according to laws, articles of association and shareholders' meeting resolution, to exercise its powers. The Board of Directors emphasizes the independent operation and transparency function. Each director and independent director acts as an individual and exercise their duties independently. The company set up three independent directors, with tenure of less than 4 years, independent directors hold nationality of Taiwan and USA, 3 independent directors accounted for 33.3%; the audit committee consists of all independent directors, whose responsibilities are to supervise the company's financial statements The expression of the table, the choice of an accountant and independence and performance, supervise the effective implementation of internal control system, company compliance with relevant laws and company risk control, etc.

The directors of the Company do not have spouse or kinship relationship with other directors. Not subject to any of the circumstances specified in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.

(2) General Manager, Deputy General Manager, Assistant Vice Presidents and Managers of Departments and Branches

AS of April 30, 2025

Title/Name	Nationality Gender	Date Elected (Appointed)	Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Experience (Education)	Positions Concurrently Held in Other Companies	Managers who are Spouses or Within two degrees of Kinship			Remarks
			Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager Alice Chang	R.O.C. Female	2022.08.16	200,000	0.10%	0	0%	0	0%	Master of Science in Management, Stanford University GOOGLE Partner Technology Manager Founder and CEO, Mommy Love	Note	None	None	None	None
Deputy General Manager Jia-Qian Wu	R.O.C. Female	2023.07.01	0	0%	0	0%	0	0%	National Chengchi University, Department of Culture and Creativity Momo, senior manager VICHY CO., LTD,CEO	None	None	None	None	None
Assistant Vice President Ying-Hsuan Chao	R.O.C. Female	2019.05.15	17,970	0.01%	0	0%	0	0%	Master of Business Administration, Long Island University, New York	Note	None	None	None	None
Assistant Vice President Penny Lin	R.O.C. Female	2022.03.01	6,408	0%	13,000	0.01%	0	0%	Master of Business Administration, University of Illinois at Urbana-Champaign Investor Relations Manager, Qijing Optoelectronics Client Relations Manager, Corporate Banking, Deutsche Bank	None	None	None	None	None
Accounting Manager Evian Chang	R.O.C. Female	2023.10.01	4,000	0%	0	0%	0	0%	Accounting Department, Chinese Culture University Manager, KPMG	None	None	None	None	None

Note: Positions Concurrently Held in Other Companies

Title	Name	Concurrent Positions Held in the Company and Other Companies
General Manager	Alice Chang	General Manager of PChome Online Inc Chairman : Shang-En Info Co., Ltd. Director : 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. 、CHT- PCH No.1 Inc. 、21st Financial Technology Co. Ltd. (Cayman) 、YunTan Technology Inc. 、PChome Travel Inc. 、Rakuya International Info. Co., Ltd. 、 PChome eBay Co.,Ltd.
Assistant Vice President	Ying-Hsuan Chao	Director : eCrowd Media, Inc. 、PCHOME US INC. Supervisor : PChome Data Technology Co., Ltd. 、PChome Express Co., Ltd. 、Shang-En Info Co., Ltd

2 Remuneration Paid to Directors (including Independent Directors), General Manager, and Deputy General Manager in the Most Recent Fiscal Year

(1) Remuneration paid to Directors (including Independent Directors)

December 31, 2024/ Unit: NT\$ 1000

Title Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) and as a % of Net Income (Note 8)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Remuneration (A+B+C+D+E+F+G) and as a % of Net Income (Note 8)		Compensation Paid to Directors From Non-Consolidated Entities (Note 9)		
	Base Remuneration (A) (Note 2)		Severance Pay (B)		Directors Remuneration (C) (Note 3)		Allowances (D) (Note 4)				Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Employee Remuneration (G) (Note 6)								
	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company		From All Consolidated Entities (Note 7)		The Company	From All Consolidated Entities (Note 7)			
															Cash	Stock	Cash	Stock					
Chairman Hung-Tze Jan	360	360	0	0	0	0	40	40	400 (0.1)%	400 (0.1)%	0	0	0	0	0	0	0	0	300	0	400 (0.1)%	700 (0.12)%	0
Director Alice Chang	0	0	0	0	0	0	40	40	40 (0)%	40 (0)%	5,202	5,202	0	0	0	0	0	0	0	0	5,242 (0.9)%	5,242 (0.9)%	0
Director Bruce Chou (Note1)	360	360	0	0	0	0	40	40	400 (0.1)%	400 (0.1)%	7,962	7,962	0	0	0	0	0	0	0	0	8,362 (1.5)%	8,362 (1.5)%	0
Director Site Inc. Representative: Vicky Tseng	360	360	0	0	0	0	35	35	395 (0.1)%	395 (0.1)%	412	5,364	1,640	1,640	0	0	850	0	2,447 (0.4)%	8,249 (1.4)%	0		
Director Site Inc. Representative: Allan Chou	360	360	0	0	0	0	40	40	400 (0.1)%	400 (0.1)%	0	18,241	0	0	0	0	0	0	0	0	400 (0.1)%	18,641 (3.2)%	0
Director CDIB Venture Capital Corporation Representative: Ryan Kuo	0	0	0	0	0	0	35	35	35 (0)%	35 (0)%	0	0	0	0	0	0	0	0	0	0	35 (0)%	35 (0)%	0
Independent Director T.H. Tung (Note1)	663	663	0	0	0	0	25	25	688 (0.1)%	688 (0.1)%	0	0	0	0	0	0	0	0	0	0	688 (0.1)%	688 (0.1)%	0
Independent Director Tan Hochen	1,200	1,200	0	0	0	0	85	85	1,285 (0.2)%	1,285 (0.2)%	0	0	0	0	0	0	0	0	0	0	1,285 (0.2)%	1,285 (0.2)%	0

Title Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) and as a % of Net Income (Note 8)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Remuneration (A+B+C+D+E+F+G) and as a % of Net Income (Note 8)		Compensation Paid to Directors From Non-Consolidated Entities (Note 9)
	Base Remuneration (A) (Note 2)		Severance Pay (B)		Directors Remuneration (C) (Note 3)		Allowances (D) (Note 4)				Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Employee Remuneration (G) (Note 6)						
	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company	From All Consolidated Entities (Note 7)	The Company		From All Consolidated Entities (Note 7)		The Company	From All Consolidated Entities (Note 7)	
															Cash	Stock	Cash	Stock			
Independent Director Yi Jin Tu	1,200	1,200	0	0	0	0	85	85	1,285 (0.2)%	1,285 (0.2)%	0	0	0	0	0	0	0	0	1,285 (0.2)%	1,285 (0.2)%	0
Independent Director Lambert Chien (Note1)	540	540	0	0	0	0	50	50	590 (0.1)%	590 (0.1)%	0	0	0	0	0	0	0	0	590 (0.1)%	590 (0.1)%	0
Corporate Director Site Inc.	0	0	0	0	0	0	0	0	0 (0)%	0 (0)%	0	0	0	0	0	0	0	0	0 (0)%	0 (0)%	0
Corporate Director CDIB Venture Capital Corporation	360	360	0	0	0	0	0	0	360 (0.1)%	360 (0.1)%	0	0	0	0	0	0	0	0	360 (0.1)%	360 (0.1)%	0
1.Please state the policy, system, standard and structure of remuneration paid to Independent Directors and the correlation between factors such as responsibilities and risks assumed as well as time contributed and the amount of payment: Pursuant to the Articles of Incorporation, the Board of Directors has been delegated to determine the remuneration to Directors based on the their involvement in the business operation of the Company and their contributions to the Company with reference to the remuneration standard of the industry both at home and abroad. In addition, the Company's Articles of Incorporation also states that remuneration to Directors shall not exceed 1.5% of the annual profit. According to provisions in the Company's Compensation Committee Charter, relevant performance evaluation and the reasonableness of remuneration are reviewed by the Compensation Committee and the Board of Directors. Remuneration system is constantly reviewed based on actual operational status and relevant laws and regulation to seek a balance between the Company's sustainable operation and risk control.																					
2.Except for information disclosed above, remuneration paid for services rendered by Directors of the Company to all consolidated entities (e.g., serving as a non-employee consultant) in the most recent fiscal year: None																					

Note 1: Bruce Chou was elected as director, Lambert Chien by-elected as independent director, and T.H. Tung resigned from independent director at AGM on 2024/06/19

Note 2: This refers to remuneration to Directors in the year 2024 (including salaries, allowances, severance pay, bonuses, incentive pay, etc. to Directors).

Note 3: This refers to Directors' remuneration approved by the Board of Directors in the year 2024.

Note 4: This refers to Directors' allowances in the year 2024 (including transport fee, special allowance, various subsidies, accommodation, vehicles, etc. provided).

Note 5: This refers to salaries, allowances, severance pay, bonuses, incentive pay, transport fee, special allowance, various subsidies, accommodation, vehicles, etc. received by the Directors for being an employee concurrently (including concurrently holding the position of General Manager, Deputy General Manager, other executive officers, or employees) in the year 2024. Salary expenses recognized pursuant to IFRS 2 "Share-based Payment", including employee stock options, restricted stock award shares, and share subscription at capital increase by cash shall be included as remuneration.

Note 6: This refers to employee compensation (including stocks and cash) to directors who hold concurrent positions as employees (including the position of General Manager, Deputy General Manager, other executive officers, or employees) in the year 2024.

Note 7: The sum of various remunerations paid to the Company's Directors by all consolidated entities (including the Company) shall be disclosed.

Note 8: "Net income after taxes" refers to net income after taxes in the most recent fiscal year. If IFRSs have been adopted, it refers to net income after taxes recorded in the individual financial statements of the most recent fiscal year.

Note 9: Remuneration in this case shall refer to salaries, compensations (including compensation received as an employee, director, or supervisor), allowances, and other related remunerations received by the Company's Directors for being a Director, Supervisor, or managerial officer of investees other than subsidiaries.

* The remuneration disclosed in this table is derived based on a concept different from the concept of income stipulated in the Income Tax Act. The purpose of the table is for information disclosure, not for taxation.

(2) Remuneration paid to the General Manager and Deputy General Managers (amounts are aggregated and names are disclosed in the proper range)

December 31, 2024/ Unit: NT\$ 1000

Title Name	Salary (A) (Note 2)		Severance Pay (B)		Bonus and Allowances, etc. (C) (Note 3)		Employee Remuneration (D) (Note 4)				Ratio of Total Remuneration (A+B+C+D) and as a % of Net Income (%) (Note 8)		Compensation Paid to Directors from Non-Consolidated Entities From (Note 9)
	The Company	From All Consolidated Entities (Note 5)	The Company	From All Consolidated Entities (Note 5)	The Company	From All Consolidated Entities (Note 5)	The Company		From All Consolidated Entities (Note 5)		The Company	From All Consolidated Entities (Note 5)	
							Cash	Stock	Cash	Stock			
General Manager Alice Chang	4,800	4,800	0	0	402	402	0	0	0	0	5,202 (0.9)%	5,202 (0.9)%	0
Deputy General Manager Bruce Chou	6,613	6,613	0	0	1,349	1,349	0	0	0	0	7,962 (1.4)%	7,962 (1.4)%	
Deputy General Manager Jia-Qian Wu	3,240	3,240	0	0	537	537	0	0	0	0	3,777 (0.7)%	3,777 (0.7)%	0
Deputy General Manager Wen-Hsuing Tsai	2,562	2,766	0	1,667	28	28	0	0	0	0	2,590 (0.4)%	4,461 (0.8)%	0
Deputy General Manager Vicky Tseng (Note1)	378	2,104	1,640	1,640	34	3,260	0	0	850	0	2,052 (0.4)%	7,854 (1.4)%	0
Deputy General Manager Yue-Wei Wan	4,528	4,528	0	0	1,019	1,019	0	0	0	0	5,547 (1.0)%	5,547 (1.0)%	0
Deputy General Manager Mei-Ying, Ou (Note1)													

Table of Remuneration Ranges

Range of Remuneration Paid to the General Manager and Deputy General Managers of the Company	Names of General Manager and Deputy General Managers	
	The Company (Note 6)	All Companies in the Financial Statements (Note 7)
Under NT\$1,000,000		
NT\$ 1,000,000 (inclusive) ~ NT\$ 2,000,000		
NT\$ 2,000,000 (inclusive) ~ NT\$ 3,500,000	Wen-Hsuing Tsai, Vicky Tseng, Mei-Ying Ou, Yue-Wei Wan	Mei-Ying Ou, Yue-Wei Wan
NT\$ 3,500,000 (inclusive) ~ NT\$ 5,000,000	Jia-Qian Wu	Wen-Hsuing Tsai, Jia-Qian Wu
NT\$ 5,000,000 (inclusive) ~ NT\$ 10,000,000	Bruce Chou, Alice Chang	Bruce Chou, Alice Chang, Vicky Tseng
NT\$ 10,000,000 (inclusive) ~ NT\$ 15,000,000		
NT\$ 15,000,000 (inclusive) ~ NT\$ 30,000,000		
NT\$ 30,000,000 (inclusive) ~ NT\$ 50,000,000		

Range of Remuneration Paid to the General Manager and Deputy General Managers of the Company	Names of General Manager and Deputy General Managers	
	The Company (Note 6)	All Companies in the Financial Statements (Note 7)
NT\$ 50,000,000 (inclusive) ~ NT\$100,000,000		
NT\$100,000,000 and above		
Total	7	7

Note 1: Deputy General Manager Vicky Tseng resigned from her concurrent position at PChome on November 30, 2024; Deputy General Manager Mei-Ying Ou resigned on May 24, 2024.

Note 2: This refers to salaries, allowances and severance pay of General Manager and Deputy General Managers in the year 2024.

Note 3: This refers to bonuses, incentive pay, transport fee, special allowance, various subsidies, accommodation, vehicles, etc. provided to General Managers and Deputy General Managers in the year 2024. Salary expenses recognized pursuant to IFRS 2 "Share-based Payment", including employee stock options, restricted stock award shares, and share subscription at capital increase by cash shall be included as remuneration.

Note 4: This refers to employee remuneration (including stocks and cash) to General Manager and Deputy General Managers approved in the Board of Directors' meeting in the year 2024.

Note 5: The sum of various remunerations paid to the Company's General Manager and Deputy General Managers by all consolidated entities (including the Company) shall be disclosed.

Note 6: For the sum of various remunerations paid to General Manager and Deputy General Managers by the Company, the name of each General Manager and Deputy General Managers shall be disclosed in the proper range.

Note 7: For the sum of various remunerations paid to the Company's General Manager and Deputy General Managers by all consolidated entities (including the Company), the name of General Manager and Deputy General Managers shall be disclosed in the proper range.

Note 8: "Net income after taxes" refers to the net income after tax reported in the individual financial statements for the most recent fiscal year.

Note 9: Remuneration in this case shall refer to salaries, compensations (including compensation received as an employee, director, or supervisor), allowances, and other related remunerations received by the Company's General Manager and Deputy General Managers for being a director, supervisor, or managerial officer of investees other than subsidiaries or the parent company.

* The remuneration disclosed in this table is derived based on a concept different from the concept of income stipulated in the Income Tax Act. The purpose of the table is for information disclosure, not for taxation.

(3) Employees remuneration paid to executive officers

December 31, 2024/ Unit: NT\$ 1000

Title	Name	Stock	Cash	Total	Ratio of Total Amount to Net Income (%)
General Manager	Alice Chang	0	0	0	0%
Deputy General Manager	Bruce Chou				
Deputy General Manager	Vicky Tseng (Note)				
Deputy General Manager	Wen-Hsuing Tsai				
Deputy General Manager	Mei-Ying Ou (Note)				
Deputy General Manager	Yue-Wei Wan				
Deputy General Manager	Jia-Qian Wu				
Assistant Vice President	Ying-Hsuan Chao				
Assistant Vice President	Penny Lin				
Accounting Manager	Evian Chang				

Note: Deputy General Manager Vicky Tseng resigned from her concurrent position at PChome on November 30, 2024; Deputy General Manager Mei-Ying Ou resigned on May 24, 2024.

(4) Analysis of the total remuneration paid to the Company's Directors, General Managers, and Deputy General Managers by the Company and all consolidated entities in the most recent two years as a percentage of net income, and explanation on the remuneration policy, standards and packages, determination procedures, and correlation with business performance

- ① The ratio of total compensation paid to the company's directors, General Managers, and Deputy General Managers to the net income after tax as reported in the individual financial statements over the past two fiscal years.

Unit: %

Title \ Year	2024		2023	
	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities
Director	(3.7)%	(7.9)%	(3.0)%	(5.7)%
General Manager and Deputy General Manager	(4.7)%	(6.0)%	(7.1)%	(8.2)%

Note: Directors' remuneration does not include compensation received for concurrently serving as General Manager or Deputy General Manager.

- ② Remuneration policy, standards and packages, determination procedures, and correlation with business performance and future risks

(i) Policies, Standards and Packages for the Remuneration Paid

- (a) The Company's fixed remuneration standard of directors' remuneration was passed by the Board of Directors and proposed to the Company's 2005 Annual Shareholders' Meeting. If the Directors hold concurrent

positions as employees, additional remunerations are provided in accordance with the provisions of B and C below.

- (b) The appointment, discharge and remuneration of the Company's General Manager and Deputy General Managers shall be handled in accordance with the Company's rules. Remuneration standards are set by the Company's human resources department in accordance with the Company's performance assessment rules. Principles are determined based on individual performance, his/her contribution to the Company's overall operation, and peers' standards within the industry. In accordance with the company's "salary management method" and "employee compensation payment method", and according to the merits of operating performance, the management supervisor's bonus and remuneration will be issued.
- (c) The Company's remuneration policy is based on individual capability, contribution to the company, and performance, and it has a positive correlation with operation performance. Also, as the Company has controlled future risks, the correlation between remuneration policy and future risks is relatively low. There are three major parts to the remuneration package: base salaries, bonuses and employee remunerations, and benefits. With regard to remuneration standards, the base salaries are approved based on the market rate of employee's position, bonuses and employee remuneration are given in connection with achievement rates of employees or departments, or the Company's operation performance; benefits packages are designed in compliance with regulatory requirements and to meet employees' needs.

(ii) Procedures for Determining the Remuneration Paid

- (a) For the purpose of periodically evaluating the remuneration paid to directors and managerial officers, the Company would determine said remuneration paid based on the evaluation results obtained by applying its "Rules and Methods for the Performance Assessment of the Board of Directors " and "Rules and Methods of Performance Management" applicable to the Company's managerial officers and employees respectively.
- (b) The performance evaluation and remuneration of the Company's directors and managerial officers are reviewed and assessed annually by the Remuneration Committee and the Board of Directors. In determining

compensation, the Company considers individual performance, contribution to the Company, overall operational results, industry risks and development trends, as well as relevant laws and the actual business circumstances. Adjustments to the compensation system are made as necessary.

The actual remuneration paid to directors and managerial officers for the year 2024 was reviewed by the Remuneration Committee and approved by the Board of Directors.

(iii) Correlation with business performance and future risks

- (a) The Company's remuneration policy and related payment standards and systems are determined with the Company's overall operating conditions as the primary consideration. The payment standards are approved according to the performance achievement rate and contribution, so as to improve the overall organizational team performance of the board of directors and managerial departments. The Company also refer to industry remuneration standards to ensure that the remuneration paid to our managerial level is competitive in the industry, so as to retain the best management talents.
- (b) As the Company has managed its future risks, its remuneration policy is less relevant to future risks. Since the managerial officers' performance objectives are slightly integrated with "risk management", their actual performance evaluation results are linked to all related human resources and related remuneration policies.

3 Corporate Governance Implementation

(1) Board of Directors attendance

The Company set up an Audit Committee to replace the positions and authority of Supervisors. 9 Directors (including 3 Independent Directors). The Board of Directors convened 5 Board meetings in the FY 2024 (A). The attendance of Directors as follows:

December 31, 2024

Title	Name	Attendance in Person (B)	Attendance by Proxy	Attendance Rate (%) (B/A)	Remarks
Chairman	Hung-Tze Jan	5	0	100%	
Director	Alice Chang	5	0	100%	
Director	Site Inc. Representative: Vicky Tseng	5	0	100%	
Director	Bruce Chou	5	0	100%	
Director	Site Inc. Representative: Allan Chou	5	0	100%	
Director	CDIB Venture Capital Corporation Representative: Ryan Kuo	5	0	100%	
Independent Director	Tan Hochen	5	0	100%	
Independent Director	Yi Jin Tu	5	0	100%	
Independent Director	Lambert Chien	5	0	100%	

Other mentionable items:

- ① The date, session, content of the motion, opinions of all independent directors and the Company's means of processing the opinions of independent directors shall be specified if one of the following circumstances occurred in the operation of the board of directors:
 - (i) Matters listed under Article 14-3 of the Securities and Exchange Act: Not applicable. Since the Company has established an audit committee, it shall be subject to matters listed under Article 14-5 of the Securities and Exchange Act instead.
 - (ii) Other Board resolutions recorded and stated in writing with opposing or reserved opinions from Independent Directors other than those mentioned

above: None. There was no objection or reservation from the Independent Directors in 2024.

- ② The director's implementation of the avoidance of interest motions should state the name of the director, the content of the motion, the reason for the interest avoidance and the voting situation: On February 22, 2024, the proposal to authorize 21st Financial Technology Co., Ltd. to provide short-term financing was discussed. After Directors Ryan Kuo and Allan Chou recused themselves, the Chair consulted the remaining attending directors, and the proposal was approved as presented.
- ③ Listed companies shall disclose information such as the evaluation cycle and period, assessment scope, method and content of the self-(or peer) evaluation of the Board: The Company formulated and passed the Company's "Board Self-Evaluation or Peer Evaluation Measures" on May 13, 2020, and completed the Evaluation at March 2025.

Evaluation Frequency	Evaluation Period	Scope	Evaluation Method	Evaluation Details
Once a year	January 2024 ~ December 2024	Board of Directors, Individual Board Members and Functional Committee	Internal self-evaluation of the Board and self-evaluation of Board members	Note

Note: The evaluation includes the following items in accordance with the scope of the evaluation:

- (i) Evaluation of performance for Board of Directors: participation in the operation of the Company, the improvement of the quality of the Board of Directors' decision making, composition and structure of the Board of Directors, election and continuing education of the directors, and internal control;
- (ii) Evaluation of performance for the individual board members: Mastery of goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control;
- (iii) Evaluation of performance for the Functional Committee: participation in the operation of the Company, awareness of the duties of the functional

committee, the quality of decisions made by the functional committee, makeup of the functional committee and election of its members, and internal control.

Under the "Rules Governing the Evaluation of the Performance of the Board of Directors" approved by the Board of Directors on May 13, 2020, the Company's Board of Directors shall conduct an internal evaluation of the performance of the Board of Directors at least once a year by the end of each year. Said internal evaluation is divided into a self-evaluation of the performance of the Board of Directors (including its functional committees) and a self-evaluation of individual Board member's performance.

The Company has conducted a self-evaluation of the Board of Directors' performance for the FY 2024 in accordance with the aforesaid self-evaluation rules. The self-evaluation was conducted by means of a questionnaire, and the results of the evaluation were presented in five levels: Number 1: Very poor (strongly disagree); Number 2: Poor (disagree); Number 3: Average (average); Number 4: Good (agree); Number 5: Excellent (strongly agree). The statistics of said self-evaluation results and the direction of continuous enhancement were also emailed to Directors in March, 2025. The self-evaluation results at this time are as follows:

(a) Board's self-evaluation:

- There are 42 items in five aspects: participation in company operations, improvement of the quality of board decisions, board composition and structure, selection and continuing education of directors, and internal control.
- Self-assessment results: an average of 4.74 points; Good.

(b) B. Self-evaluation of functional committees:

- There are 24 items in five aspects: the degree of participation in the operation of the company, the understanding of the responsibilities of the functional committees, improving the decision-making quality of the functional committees, the composition and selection of members of the functional committees, and the internal control thereof.
- Self-assessment results: average 4.88 points; Good.

(c) Board members' self-evaluation:

- There are 20 items in six aspects: mastery of company goals and tasks, awareness of directors' responsibilities, participation in company

operations, management and communication of internal relations, professional and continuing education of directors, and the internal control thereof.

- Self-assessment results: average 4.54 points; Good.

- ④ Objectives of strengthening the functionality of the Board of Directors in the current year and the most recent fiscal year (e.g., setting up the Audit Committee, enhancing information transparency, etc.), and evaluation of the execution thereof:

The Company approved the election of three independent directors and the establishment of an audit committee consisting of three independent directors in lieu of supervisory duties at the regular shareholders' meeting held on June 19, 2024. The audit committee meets at least once quarterly and is responsible for the proper presentation of the Company's financial statements, the selection (dismissal) and independence and performance of the certified public accountants, the effective implementation of the Company's internal controls, the Company's compliance with relevant laws and regulations, and the control of the Company's existing or potential risks, etc. The audit committee is currently in smooth operation.

In compliance with the amendments to the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" made by the Financial Supervisory Commission on July 28, 2017, the Company revised its "Rules of Procedure for Board of Directors Meetings." Further revisions were made on March 25, 2025, to align with subsequent regulatory updates, uploaded the attendance status of Board of Directors' meetings at the Market Observation Post System (MOPS), disclosed material resolutions of the Board of Directors meeting at the corporate website, and purchased liability insurance for all Directors and Supervisors.

The Company's first Remuneration Committee was formally established on December 23, 2011, and the Remuneration Committee Charter was drawn up. The second Remuneration Committee was appointed by a resolution of the Board of Directors on June 27, 2012. It was responsible for formulating and regularly reviewing the policies, systems, standards and structures of Directors' and executive officers' performance assessment and remunerations, as well as regularly evaluating and formulating remuneration to Directors and executive officers, employee stock option programs and remuneration plans, or other employee incentive schemes. The third-term Remuneration Committee was

appointed by a resolution of the Board of Directors on June 30, 2015. It consisted of three Independent Directors. All relevant personnel had attended the Remuneration Committee meeting in person for questions and discussion. After the general election of directors and supervisors at the shareholders' meeting on June 19, 2024, the Company appointed the 5th Remuneration Committee members to establish the Remuneration Committee. All relevant personnel had attended the Remuneration Committee meeting in person for questions and discussion. The Remuneration Committee is currently in smooth operation.

The Company continues to strengthen corporate governance and relevant procedures and rules are available on the Company's website. The Company has always been committed to the principles of information transparency and actively safeguards the shareholders' interests. Key resolutions from the Board of Directors' meeting are disclosed at the MOPS and corporate website.

(2) Operations of the Audit Committee

The Company's 4th Audit Committee, consisting of three independent directors, was formally established on June 19, 2024. Tan HoChen, an independent director, was elected to serve as the committee's convener. The committee members, meeting at least once quarterly, shall be responsible for the audit of the fair presentation of the Company's financial statements, the selection (dismissal) and independence and performance of the certified public accountants, the effective implementation of the Company's internal controls, the Company's compliance with relevant laws and regulations, and the control of the Company's existing or potential risks and the like. The audit committee's major responsibilities are as follows:

- ① Adoption or amendment of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
- ② Evaluation of the effectiveness of the internal control system.
- ③ Adoption or amendment of the procedures for significant financial or business conducts, e.g., Procedures for Acquisition or Disposal of Assets, Procedures for Derivative Transactions, Procedures for Lending Funds to Other Parties, and Procedures for Endorsement and Guarantee, pursuant to Article 36-1 of the Securities and Exchange Act.
- ④ Matters related to the Directors' own interests.
- ⑤ Significant asset or derivative transactions.
- ⑥ Significant lending, endorsement or provision of guarantees.
- ⑦ Offering, issuance or private placement of equity-type marketable securities

- ⑧ The appointment, discharge and remuneration of CPAs.
- ⑨ The appointment and discharge of finance, accounting or internal auditing officers and managers.
- ⑩ Annual and semi-annual financial reports.
- ⑪ Other significant matters as required by the Company or the competent authority.

The Audit Committee convened 6 meetings in 2024 (A). The attendance is as follows:

Title	Name	Attendance in Person (B)	Attendance Rate (%) (B/A)	Remarks
Audit Committee member	Tan Hochen	6	100%	
Audit Committee member	Yi Jin Tu	6	100%	
Audit Committee member	Lambert Chien	3	100%	Assuming office on June 2024
Audit Committee member	T.H. Tung	2	67%	Removing office on June 2024

Other mentionable items:

- 1.The date, session, content of the motion, resolution of the Audit Committee and the Company's means of processing the opinions of the Audit Committee shall be specified if one of the following circumstances occurred in the operation of the Audit Committee:

(1) Matters listed under Article 14-5 of the Securities and Exchange Act:

Date of Meeting	Content of Motion	Opinions of all Independent Directors and the Company's handling of these opinions
2024.02.22	Approval of 2023 financial statements.	Approved by all Independent Directors
2024.03.19	Review and approval of 2024 CPA fees	Approved by all Independent Directors
2024.08.13	Approval of 2024 Q2 financial statements	Approved by all Independent Directors

- (2) Except for the foregoing, other matters that were not approved by the Audit Committee but were approved by more than two-thirds of all Directors: None. There was no objection or reservation from the Independent Directors in 2024.

- 2.Implementation of the Independent Directors' avoidance of motion with conflict of interests, please specify the Independent Director's name, content of the

motion, reasons for the avoidance of conflict of interests, and participation in voting: None. Each member of the Audit Committee has fully expressed his opinions.

3.Communication between the Independent Directors and internal auditing officer and CPAs (include major topics, methods and results relating to the Company's financial and business status that shall be communicated):

- (1) There are channels of direct contact between the Independent Directors and internal auditing officer and the Certified Public Accountant and the communication condition is good;
- (2) The Company convenes the Audit Committee meeting on a regular basis, inviting CPAs and internal auditing officer to attend and related supervisors if necessary;
- (3) The internal auditing officer submits summarized auditing report to the Audit Committee on a monthly basis according to the annual audit plan;
- (4) Evaluate the independence of the CPAs annually and submit the outcome to the Audit Committee for review; and
- (5) There are channels of direct contact between the member of the Audit Committee and internal auditing officer and the CPAs and the communication condition is good. The internal auditing officer regularly reports to the Audit Committee based on the annual audit plan and cooperate with the routine internal control audits conducted by CPAs. For the Board of Directors' meetings, CPAs would attend to provide relevant opinions, and the internal auditing officer would submit audit reports. While reviewing the financial reports, Audit Committee members would discuss relevant finance and business matters within the statements with CPAs and their key opinions shall be documented in the meeting minutes.

4.Annual work priorities and operations:

(1) Annual Highlights

- A. Regularly communicate the audit report results with the internal audit officer according to the annual audit plan.
- B. Regularly communicate with the Company's CPAs on the review or audit results of the financial statements of each quarter.
- C. Review financial reports.
- D. Assess the effectiveness of the Company's internal control system.

- E. Review and approval of the appointment, dismissal, compensation, and scope of services of the external certified public accountants (CPAs).
 - F. Evaluate independence of the Company's CPAs.
 - G. Review assets, derivatives, capital loans, endorsements and guarantees and related transactions.
 - H. Regulatory compliance
- (2) All Audit Committee proposals in 2024 were subject to the Audit Committee's review or approval. No objections were raised by the independent directors.

(3) Corporate governance implementation status and deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
I. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company has established the "Corporate Governance Best-Practice Principles" which contains regulations governing the establishment of an effective corporate governance structure, protection of shareholders' rights, enhancement of Board functions, realization of Audit Committee functions, respect for stakeholders' rights and enhancement of information transparency. To access the Corporate Governance Best-Practice Principles, please visit https://corporate.pchome.com.tw/about_us/internal_policies.php?item_id=32&lang=2 .	None
II. Shareholding structure & shareholders' rights				
(I) Does the Company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		The Company instructs relevant departments, including investor relations, stock affairs, legal affairs, etc., to handle shareholder suggestions, doubts, disputes, and litigations in accordance with internal operating procedures, and to proceed in accordance with the procedures.	None
(II) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shareholders?	✓		Master the final controller list of the major shareholders and major shareholders of the actual control company at any time, and report transaction information according to the listed company information reporting procedures.	None
(III) Does the Company establish and execute the risk management and firewall system within its conglomerate structure?	✓		In addition to the various risk control mechanisms already established by the Company, there are procedures in place to govern the operation, business and finance transactions between the Company and its affiliates. Besides assisting	None

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			subsidiaries with formulating a written control system, the subsidiaries' level of authority, management over related party transactions, and operation procedures for transactions of specific companies, related parties and group enterprises are established. Also, the Procedures for Acquisition or Disposal of Assets, Procedures for Endorsement and Guarantee subsidiaries, Procedures for Lending Funds to Other Parties, and Procedures for Derivative Transactions are formulated in reference to the parent company's procedures for a comprehensive implementation of risk control mechanism concerning subsidiaries. The subsidiary has established its own risk control mechanisms, and set up the risk control mechanism and firewall with its affiliates according to the relevant operating procedures of the Company.	
(IV) Does the Company establish internal rules against insiders trading with undisclosed information?	✓		The Company has established internal rules to prevent insiders from using undisclosed information to trade marketable securities and as the basis for the Company's material information handling and disclosure mechanisms.	None
III. Composition and responsibilities of the Board of Directors				
(I) Does the Board formulate a diversity policy, specific management objectives and implement them in relation to the composition of the Board?	✓		The Company respects the policy of diversity of directors in order to strengthen corporate governance and to promote the sound development of the composition and structure of the Board, and believes that the diversity approach will help to enhance the overall performance of the Company. The Board members come from a variety of professional backgrounds and fields of work to achieve a diverse board structure, including gender, age, nationality, culture, professional background (e.g., legal, accounting, industrial, financial, marketing or technology), expertise and industry experience, as well as business judgment, operational management, leadership and crisis management skills. The Board	None

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
			<p>also plans for board seats towards the direction of gender balance. and plan board seats toward the balance of sexes.</p> <p>To strengthen the functions of the Board and achieve the desired objectives of corporate governance, Article 20 of the Company's "Corporate Governance Best-Practice Principles" states that the Board of Directors as a whole shall have the following competencies: 1. Business judgment 2. Competency of accounting and financial analysis 3. Competency of business management 4. Competency of crisis management 5. Industry knowledge 6. International market view 7. Leadership 8. Decision-making capacity</p> <p>The Company's current board diversity policy and implementation are described on page 19 below.</p>	
(II) Other than Remuneration and Audit Committees which are required by laws, does the Company plan to set up other functional committees?		✓	The Company has set up the Remuneration Committee and the Audit Committee according to laws, and will set up other functional committees in the future if the need arises.	None
(III) Does the company set board performance evaluation methods and evaluation methods, and conduct annual performance evaluation regularly report the results of performance evaluation to the Board, and use it for reference for individual directors' salary remuneration and nomination renewal?	✓		To enhance the efficiency of the Board of Directors' operation and the quality of governance, the Company promoted the implementation of the Board of Directors' performance evaluation system in the FY 2020 by formulating the "Rules Governing the Evaluation of the Performance of the Board of Directors" in compliance with the purpose of the "Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies", through which the evaluation process was conducted. The Company also formulated and approved the "Self-Evaluation or Peer Evaluation of the Board of Directors of PChome Online Inc." on May 13, 2020 , and completed the self-evaluation for the FY 2024 by 2025/3.	None

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
			<p>The regulations must be performed at least once a year by internal self-assessment, self-assessment of the board of directors, peer assessment or other appropriate means to evaluate the results and submit the report to the Board of Directors for prosecutors and improvements. The performing unit performing performance evaluation must have a fair, objective and independent role, and is not directly interested in the operation of the assessed unit. Evaluation of performance for the individual board members: Mastery of goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control. Based on the Company's corporate governance philosophy, the primary responsibilities of the Board are to supervise and assess the performance of management team, appoint and discharge executives, resolve important matters and offer guidance to the management team. The Company's Board members have vast experience in company operations or specialized fields, and hold fast to extremely high moral standards and their commitments to the Company. Board meetings are held quarterly to not only resolve proposals but also discuss business strategies and future directions with the management team in order to create maximum benefits for shareholders.</p>	
(IV) Has the Company periodically evaluate the independence of the CPAs?	✓		<p>The Company cooperates with a globally renowned CPA firm. The CPAs have no conflict of interest with the Company and they are professional and independent auditors. To enhance CPA's independence and familiarity with the Company's business, the Company conducts AQI index on 2024/3. The outcome was reviewed and approved by the Audit Committee and the Board to implement corporate governance and enhance the functions of the Board.</p>	None

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
			<p>The assessment items are as follows:</p> <p>1. Professionalism and quality control.</p> <p>(1) The verification team has sufficient audit experience.</p> <p>(2) The firm has enough professionals to support the audit team.</p> <p>(3) Check that the team receives adequate education and training every year.</p> <p>(4) Check that the team turnover rate is low and sufficient manpower is invested.</p> <p>(5) The quality and timeliness of audit and tax services.</p> <p>(6) The working hours and overall load of the visa accountant's input into the group's cases.</p> <p>2. Independence</p> <p>(1) Review the accountant's resume.</p> <p>(2) Does not hold any position of director, supervisor, manager or major influence in any company and has no conflict of interest.</p> <p>(3) The visa accountant has not been appointed to provide visa services for seven consecutive years.</p> <p>(4) The suitability of the appointed firm's accumulated visa years.</p> <p>(5) Obtain an independence statement issued by an accountant every year.</p> <p>(6) The appropriateness of the proportion of public funds for non-audit services.</p> <p>3. Supervision</p> <p>The certified accountant and firm have no major litigation or rectification cases by the competent authorities.</p> <p>4. Innovation ability</p> <p>Computer audit innovative planning effectively increases audit efficiency and improves audit quality.</p>	

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
			5. Obtain the accountant's audit quality indicator report (AQI Report) every year. 6. Summarize the evaluation results of the independence and competency of accountants through the accountant rating questionnaire every year. After the company's financial accounting and corporate governance directors jointly participated in the evaluation, the certified accountants all met the independence and competency standards.	
IV. Does the Company have an adequate number of qualified corporate governance personnel and appoint a chief corporate governance officer to handle matters pertaining to corporate governance (including but not limited to provide information required for business execution by Directors and Supervisors, assist Directors and Supervisors with regulatory compliance, handle matters pertaining to board meetings and shareholders' meetings according to laws and regulations, produce minutes of Board meetings and shareholders meetings, etc.)?	✓		The Company has relevant personnel in charge of corporate governance matters. Be responsible for the provision of information required for business execution by Directors, the handling of matters relating to Board meetings and Shareholders' Meetings according to laws and regulations, the handling of corporate registration and amendment registration, and the preparation of minutes of Board meetings and shareholders meetings, with the intent of securing shareholders' rights and enhancing Board functions.	None
V. Has the Company established a communication channel with its stakeholders (including but not limited to	✓		The Company has established a CSR section, a stakeholder contact area, a spokesperson system, a website, and other channels to provide the Company's latest information and communication channels, as well as corresponding	None

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
shareholders, employees, customers and suppliers) and created a stakeholder relations section on the corporate website to appropriately respond to corporate social responsibilities issues that are essential to stakeholders?			windows for business management and operational projects. In addition, the Company's stakeholders can utilize the stakeholder contact area to contact the Company's Audit Office or the corresponding stakeholder contact window in charge for the suggestions, concerns or complaints raised. Depending on situations, the Company assigns the departments of investor relations, stock affairs, human resources, customer service, procurement and the like to communicate with our stakeholders, and provides the contact information of spokespersons and relevant business departments on the Company's website.	
VI. Has the Company appointed a professional shareholder service agency to organize the shareholders' meetings?	✓		The Company appointed the Stock Affairs Agency Department of Taishin Securities Co., Ltd. as the Company's share affairs agent, which also handles all kinds of shareholders' meeting affairs for the Company.	None
VII. Information disclosure				
(I) Has the Company established a corporate website to disclose information regarding the Company's financials, business and corporate governance status?	✓		The Company has set up a corporate website to provide financial, business and other information, and has designated personnel responsible for maintaining the data. Please visit the corporate website for details. https://corp.pchome.tw/	None
(II) Does the Company have other information disclosure channels (e.g., maintaining an English-language website, designating personnel to handle information collection and disclosure, implementing spokesperson system, uploading investor conference recordings to the corporate website)?	✓		Besides Chinese-language corporate website, the Company has set up an English-language website and had designated personnel responsible for the collection and disclosure of material information as well as a spokesperson communicating with external parties. The audio or video recordings of investor conference are available on the corporate website and relevant information is publicly announced via the MOPS website designated by the competent authority.	None

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
(III) Does the Company publicly announce and file its annual financial report within two months after the end of financial year, and does it also announce and file its financial reports for the first, second, and third quarters, as well as monthly operational status, in advance of the prescribed deadlines?		✓	The Company's consolidated and individual financial reports were announced and reported on 2025/03/12. Moreover, the financial reports for the first, second and third quarters and revenue for each month were also announced and reported on the MOPS website before the prescribed deadline, and the relevant information was simultaneously uploaded to the Company's website. https://corp.pchome.tw	None
VIII. Whether the Company has any other important information to understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, director and supervisors training, risk management policy and risk measurement criteria); (Implementation of the account policy, the company purchasing liability insurance for directors and supervisors, etc.)?	✓		(I) Employee Rights, Employee Care In terms of employee rights and welfare, the Company has drawn up personnel management rules using Labor Standards Act, Act of Gender Equality in Employment, Sexual Harassment Prevention Act, and relevant laws and regulations as the minimum requirements to ensure employees' rights and interests.	None
	✓		(II) Investor Relations In terms of investor relations, the Company has a dedicated investor relations department serving as the communication channel between the Company and investors. It allows investors to promptly and fully understand the Company's performance and long-term business strategies, and provides best services to investors and domestic and foreign professional investment institutions.	None
	✓		(III) Supplier relations The Company has always maintained long-term and good cooperation relationship with its suppliers. All parties have complied with the contract terms to protect each other's legal rights.	None
	✓		(IV) Rights of stakeholders In terms of the rights of stakeholders, the Company has established various	None

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
	✓		<p>sound and open communication channels and handled relevant matters by the principle of honesty and in a responsible manner to protect stakeholders' rights and interests.</p> <p>(V)Implementation of risk management policies and risk evaluation measures and implementation of customer relations policies</p> <p>The Company has analyzed and formulated action plans regarding highly likely and influential risks associated with the Company's operational objectives, financial reporting accuracy and fraud prevention, so as to strengthen the corporate governance and build a sound risk management operation.</p> <p>The Company has also established a customer service department, regularly reviewed customer feedback, and paid close attention to consumers' rights and interest while maintaining regular business development and maximizing shareholders' interests. Meanwhile, to protect consumers' rights and interests, the Company has obtained the "Global Trust", "Excellent E-Store" and "Online Shopping Compensation of Net Consumer Association" so that consumers can enjoy a safer shopping experience.</p>	None
	✓		<p>(VI)Liability insurance for Directors</p> <p>The Company has taken out liability insurance for its Directors and Supervisors covering their job scopes during their terms of office in order to lower and spread risk of significant damage to the Company and its shareholders due to error or negligence.</p>	None
IX. The improvement status for the outcome of Corporate Governance Evaluation announced by Taiwan Stock Exchange Corporate Governance Center and the	✓		<p>Since 2022, the Company has reviewed the annual corporate governance evaluation results by a dedicated department, the project one by one, and reviewed the improvement parts. Specific improvement measures such as supplemental annual report on the information disclosure procedures are</p>	None

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
priority of pending issues. (Not required for those not listed as the companies under evaluation.)			expected to enhance the score and improve corporate governance ranking.	

Note: Regardless of "Yes" or "No" is ticked for operations, a description is required in the Summary column.

(4) Composition, Responsibilities and Operations of the Remuneration Committee

A. The Company's Board of Directors establishes the Remuneration Committee pursuant to the approved Remuneration Committee Charter. The Committee's main duties are to fulfill the following functions and submit its recommendations to the Board of Directors for discussion.

(A) Establishes and periodically reviews the performance evaluation and policies, system, standards, and structure of the remunerations for Directors and executive officers.

(B) Periodically evaluate and establish salary compensation for directors and executives.

B. After the re-election of the Board of Directors at the shareholders' meeting on June 19, 2024, the Company appointed the members of the fifth-term Remuneration Committee. The Committee convenes at least twice a year, and its convener and chairperson are independent directors. Since its establishment, the Committee has operated effectively and in an orderly manner.

C. Members of Remuneration Committee

Identity	Conditions	Professional qualifications and experiences	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
	Name			
Independent Director	Yi Jin Tu	Please refer to Professional qualifications and independence analysis of directors.		0
Independent Director	Tan Hochen			0
Independent Director	Lambert Chien			0

D. Operation information of Remuneration Committee

(A) The Company's Remuneration Committee consists of three members.

(B) The term of office for current members runs: from June 19, 2024 to June 18, 2027. The Compensation Committee convened two meetings in 2024 (A). The qualification and attendance of members are as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Yi Jin Tu	2	0	100%	
Member	Tan Hochen	2	0	100%	
Member	Lambert Chien	2	0	100%	
Other mentionable items:					

1. If the Board of Directors decline to adopt or amend a recommendation of the Compensation Committee, the date and session of the Board meeting, content of the motion, resolution and actions taken regarding the Compensation Committee's opinions shall be specified (if the compensation package approved by the Board is better than the recommendation made by the Committee, please specify the discrepancy and its reason): None.
2. As to the Compensation Committee's resolutions, if a member has objections or reservations with records or in writing, the date and session of the Committee meeting, contents of motions, all members' opinions and actions taken regarding the opinions shall be specified: None.

(5) Fulfillment of ESG and Deviations from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
1. Does the company establish exclusive (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the ESG policies and reporting to the board?	✓		The Company established a Sustainable Development Committee in 2022, chaired by the CEO, and set up the ESG Executive Group, comprising a "Corporate Governance and Responsibility Group", "Eco-Friendliness Group" and "Employee and Social Care Group". Under the Committee, the Committee also established an Executive Group Convenor and a Group Steering Committee Member, responsible for guiding the planning and execution of each group's sustainability projects. Panel members regularly track and discuss the implementation status. The group members regularly track and discuss the implementation status, and the Corporate Governance and Responsibility Group reports to the Company's Board of Directors in a timely manner. This ensures that the Board is immediately informed of the progress of the Company's ESG strategies and encourages the team to make strategic adjustments and provide necessary resources when needed.	None

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor						
	Yes	No	Abstract Explanation							
2. Has the Company conducted risk assessments on environmental, social, and corporate governance (ESG) issues related to its operations in accordance with the principle of materiality, and formulated corresponding risk management policies or strategies?	✓		<div>1. This disclosure herein covers economic, environmental and social information about the Company's major operating locations in Taiwan from January to December 2024. Part of the information disclosed includes the subsidiary company, PChome Express Co., Ltd., covering topics such as the businesses of e-commerce, warehousing and freight transportation.</div> <div>2. In consideration of the company's operating strategy, sustainability trends, and regulatory concerns, the ESG Executive Group compiles a list of key issues across environmental, social, and corporate governance dimensions, based on the principle of materiality. Through the process of identification of major issues, major issues can be identified, measured, and evaluated, and also oversee and control risk management policies and specific action plans as an important basis for sustainable development. A summary of the risk management policy or strategy is as follows:</div> <table><tr><th>Issues of materiality</th><th>Risk assessment items</th><th>Description</th></tr><tr><td>Environment-related</td><td>Green packaging</td><td><div>In view of the environmental impact caused by single-use packaging materials, the Company, as the first comprehensive e-commerce platform in Taiwan to receive carbon label certification, has continued to promote various packaging optimization and internal process improvement measures to reduce costs and enhance effectiveness of environmental protection.</div><div>In 2024, in addition to extending the green packaging strategy implemented since August 2023, the Company successfully negotiated price reduction agreements with carton suppliers while ensuring that the materials used meet</div></td></tr></table>	Issues of materiality	Risk assessment items	Description	Environment-related	Green packaging	<div>In view of the environmental impact caused by single-use packaging materials, the Company, as the first comprehensive e-commerce platform in Taiwan to receive carbon label certification, has continued to promote various packaging optimization and internal process improvement measures to reduce costs and enhance effectiveness of environmental protection.</div> <div>In 2024, in addition to extending the green packaging strategy implemented since August 2023, the Company successfully negotiated price reduction agreements with carton suppliers while ensuring that the materials used meet</div>	None
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Evaluation Item	Implementation Status					Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation			
					environmental standards. By reducing the printing area and weight of cartons, the Company further achieved the goal of lowering its carbon footprint. At the same time, warehousing operations were continuously optimized, including the introduction of an automatic weighing system and adjustments to on-site operating procedures to enhance shipping efficiency and accuracy. Moreover, ongoing improvements were made in the use of logistics bags, packaging standards, and system recommendation mechanisms, while maintaining close communication with government agencies to ensure that all operational processes comply with the latest regulatory requirements, demonstrating the Company's commitment to environmental sustainability and regulatory compliance.	
				Climate action/Green warehousing and logistics	1.Green warehousing: The Company continued to optimize its warehousing automation system and completed the construction of the Linkou A7 Smart Logistics Park, which was fully launched by the end of 2023. By introducing automation technology and artificial intelligence, the Company realized order allocation optimization, proactive inventory reallocation, improved storage configuration, intelligent picking guidance, and optimized box selection and packing, thereby further enhancing overall operational efficiency and effectively reducing energy consumption. 2.The Company has adopted fleet energy management	

Evaluation Item	Implementation Status					Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation			
					mechanisms and collaborated with industry peers and shared logistics networks to optimize the use of idle transportation capacity-without increasing the number of owned electric vehicles. This approach enabled the Company to achieve energy-saving targets and take a leading role in building a green delivery network under the PChome initiative. In parallel, the Company continuously enhanced the operational efficiency of its fleet, effectively reducing fuel consumption and carbon emissions, thereby actively fulfilling its commitment to environmental sustainability.	
			Society-related	Building a diverse and equitable workplace environment	PChome is committed to fostering a diverse, equitable, and safe working environment, ensuring that employees are not subject to any form of harassment, discrimination, or unfair treatment based on religious beliefs, race, gender, age, or political affiliation. In addition to fully complying with the Labor Standards Act, the Occupational Safety and Health Act, and the Act of Gender Equality in Employment, the Company has also established clear, objective, and impartial systems for performance evaluation and recruitment. Regular performance reviews are conducted mid-year and year-end to ensure transparency and consistency of these systems. The Company firmly believes that a diverse and inclusive workplace fosters innovation stimulate innovation potential	

Evaluation Item	Implementation Status					Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation			
					and enhances the quality of decision-making. To attract and retain outstanding talent, PChome continues to offer career opportunities through a variety of recruitment channels, provides market-competitive compensation and benefits, and implements comprehensive talent development policies. Moreover, the Company has established open and effective communication mechanisms between labor and management to foster mutual understanding and trust, aiming to foster alignment and shared growth.	
				Occupational safety and health management	he Company actively complies with the Occupational Safety and Health Act and related regulations. Since 2024, we have engaged professional consultants to assist in establishing a comprehensive Occupational Safety and Health Management System comprising 25 procedures. In February 2025, the Company successfully obtained ISO 45001 certification as well as third-party verification under the TOSHMS framework. To strengthen workplace health protection, the Company has implemented four major occupational health programs: The Human Factors Hazard Prevention Plan 、The Prevention Plan for Diseases Induced by Abnormal Workloads 、The Prevention Plan Against Illegal Infringement 、The Maternal Health Protection Plan. These programs aim to safeguard	

Evaluation Item	Implementation Status					Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation			
					employees' physical and mental well-being and ensure a safe and healthy working environment. In terms of education and training, the Company regularly provides general occupational safety and health training for both new and existing employees. In addition, professional safety training is arranged for employees in specific job roles to ensure adequate knowledge of workplace safety and emergency response capabilities. Furthermore, the Company's headquarters lactation room was awarded the "Excellent Lactation Room Certification – Outstanding" by the Department of Health, Taipei City Government, demonstrating the Company's commitment to fostering a female-friendly workplace.	
			Corporate governance aspect	Integrity in business operations and regulatory compliance	PChome upholds integrity in business operations as the cornerstone of corporate sustainability. The Company actively promotes integrity-based governance and regulatory compliance through continuous education and training, embedding the principles of integrity into the daily conduct of all employees and business partners. Through a robust corporate governance framework and internal control mechanisms, PChome reinforces risk management and compliance practices, ensuring that all personnel strictly comply with applicable laws and regulations. These efforts collectively safeguard corporate	

Evaluation Item	Implementation Status					Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation			
					integrity and support the Company’s stable and sustainable development.	
3. Environmental Issues						
(I) Does the Company establish environmental management system designed to fit industry characteristics?	✓		As a company in the e-commerce industry, the Company implements an internal automated inspection mechanism for environmental and occupational safety and health tailored to the characteristics of the industry. It has also established no-smoking regulations and an environmental management system adapted to its operational needs. The Company strictly adheres to all relevant environmental and labor regulations, strives to prevent occupational hazards, and continuously enhances the effectiveness of its management systems to fulfill its commitment to sustainable operations. In addition, the Company actively promotes a comprehensive green operations strategy encompassing green packaging, green transportation, green warehousing, and green payment, aiming to create a new e-commerce model centered on sustainable value. These efforts demonstrate the Company’s ongoing commitment to environmental protection and social responsibility.			None
(II)Has the Company committed to enhancing energy efficiency and utilizing recycled materials or resources that impose minimal environmental impact?	✓		The Company actively promotes a range of energy-saving and carbon reduction initiatives as part of its commitment to sustainable business operations. Key actions include the advancement of paperless processes, encouragement of electronic invoice and e-ticket usage among consumers, and the ongoing optimization of packaging material utilization. In 2024, the Company continued to implement the green packaging strategy initiated in August 2023. It successfully negotiated pricing adjustments with carton suppliers while ensuring compliance with environmental standards. Carbon footprint was effectively reduced by			None

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
			<p>minimizing printing areas and the overall weight of cartons. In warehousing operations, the Company introduced automated weighing systems and adjusted on-site workflows to improve shipping accuracy and operational efficiency. Additionally, optimization efforts continued for logistics bag usage, packaging standards, and recommendation systems, with close coordination maintained with government authorities to ensure full compliance with regulatory requirements. In terms of energy-saving improvements, the Company adjusted warehouse air-conditioning equipment to reduce monthly electricity consumption and upgraded lighting systems to enhance energy efficiency. At the corporate headquarters, outdated lighting fixtures were systematically replaced, and air-conditioning timers were installed to automatically manage usage and avoid unnecessary energy consumption. Furthermore, the Company actively promoted water-saving devices and conservation measures, alongside internal campaigns advocating sustainable behavior such as waste sorting, water conservation, and electricity-saving practices-fully demonstrating its ongoing commitment to energy conservation and carbon reduction.</p>	
(III) Has the Company assessed the potential risks and opportunities arising from climate change to its current and future business operations, and adopted appropriate measures in response?	✓		<p>The Company adopted the framework of the Task Force on Climate-related Financial Disclosures (TCFD) and drew on practical approaches from both domestic and international peers to develop a climate change risk assessment questionnaire. Representatives from various departments participated in in-depth discussions to systematically identify and evaluate potential climate-related risks and opportunities. In the 2024 assessment, the Company identified four transition risks, two physical risks, and three climate-related opportunities, and formulated specific management strategies for each identified item.</p> <p>In line with TCFD principles, the Company continues to integrate climate risk management and opportunity assessment mechanisms into its overall sustainability strategy. Progress and objectives related to climate adaptation and mitigation are disclosed annually in the sustainability report, enhancing information transparency and strengthening the Company's resilience and</p>	None

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			responsiveness to climate change.																																														
(IV) Has the Company compiled statistics on its greenhouse gas emissions, water consumption, and total waste generation over the past two years, and formulated policies on energy conservation, carbon reduction, greenhouse gas mitigation, water conservation, or other waste management practices?	✓		<p>The Company has long been committed to climate change and resource sustainability issues. It continuously promotes various energy-saving and carbon-reduction policies and measures, actively fulfills its environmental protection responsibilities, and advances the transition to green operations in accordance with relevant regulations and international initiatives.</p> <p>1. Policies and management systems</p> <p>In 2023, the Company published its Environmental and Energy Saving Carbon Reduction Management Policy under the "Important Company Regulations" section of its corporate website. This policy emphasizes continuous improvement in electricity and water consumption, waste management, and the implementation of energy-saving infrastructure.</p> <p>In 2024, the Company further announced its Greenhouse Gas Reduction Management Policy, aiming to review and optimize energy use, promote carbon emissions control, and strengthen related management practices to support the transition toward low-carbon operations.</p> <table border="1"> <thead> <tr> <th colspan="5">Greenhouse Gas Emissions by Source</th></tr> <tr> <th colspan="2">Type of Energy</th><th>CO₂ Equivalent (Metric Tons)</th><th>2024</th><th>2023</th></tr> </thead> <tbody> <tr> <td rowspan="2">For Warehouses</td><td>Diesel</td><td rowspan="4">Scope 1</td><td>5.20</td><td>4.83</td></tr> <tr> <td>Gasoline</td><td>0.02</td><td>0.03</td></tr> <tr> <td rowspan="2">For Fleets</td><td>Diesel</td><td>1,132.04</td><td>1,300.98</td></tr> <tr> <td>Gasoline</td><td>68.17</td><td>78.69</td></tr> <tr> <td>Corporate Vehicles</td><td>Gasoline</td><td></td><td>1.42</td><td>1.35</td></tr> <tr> <td colspan="3">Subtotal (Scope 1)</td><td>1,206.85</td><td>1,385.88</td></tr> <tr> <td>Purchased Electricity</td><td>Electricity</td><td>Scope 2</td><td>5,931.01</td><td>6,566.19</td></tr> <tr> <td colspan="3">Total (Scope 1 + Scope 2)</td><td>7,137.86</td><td>7,952.07</td></tr> </tbody> </table>	Greenhouse Gas Emissions by Source					Type of Energy		CO ₂ Equivalent (Metric Tons)	2024	2023	For Warehouses	Diesel	Scope 1	5.20	4.83	Gasoline	0.02	0.03	For Fleets	Diesel	1,132.04	1,300.98	Gasoline	68.17	78.69	Corporate Vehicles	Gasoline		1.42	1.35	Subtotal (Scope 1)			1,206.85	1,385.88	Purchased Electricity	Electricity	Scope 2	5,931.01	6,566.19	Total (Scope 1 + Scope 2)			7,137.86	7,952.07	None
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			<p>Note 1: Greenhouse gas emissions are calculated using the operational control approach, based on activity data × emission factor × GWP value. The emission factors are sourced from the EPA's Greenhouse Gas Emission Factor Management Table version 6.0.4, and the GWP values are from the IPCC Fourth Assessment Report (2007). The greenhouse gases included are CO₂, CH₄, and N₂O.</p> <p>Note 2: For Scope 1, the emission factors referenced are from the EPA's Greenhouse Gas Emission Factor Management Table version 6.0.4, with gasoline emission factor at 2.357 kg CO₂e /L and diesel emission factor at 2.647 kg CO₂e /L. For Scope 2, the emission factors are based on the electricity emission factors announced by the Bureau of Energy, Ministry of Economic Affairs for the current or previous year.</p> <p>2. Water resource management</p> <p>The Company has long been committed to water conservation and environmental sustainability, actively promoting water-saving policies and implementing various measures to ensure effective water resource management. In addition to conducting regular awareness campaigns on water conservation, the Company continuously improves the efficiency of water use across office and operational spaces. Specific actions include:</p> <ul style="list-style-type: none"> ● Optimizing workplace layouts and adjusting air conditioning system configurations to reduce the water consumption of chilled water units; ● Conducting regular inspections of water storage facilities and pump operations to ensure the stability and availability of backup water sources; ● Evaluating the introduction of more efficient water-saving devices and control systems to strengthen water monitoring and usage management. <p>Looking ahead, the Company will continue to enhance the adoption of water-saving equipment and promote employee awareness, aiming to establish a systematic water resource management mechanism in alignment with its corporate responsibility for environmental</p>	

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor																																																											
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			<p>sustainability.</p> <p>Water consumption over the past two years is as follows:</p> <table><tr><th colspan="6">Water Consumption</th></tr><tr><th>Operating Location</th><th>Water Source</th><th>Rivers</th><th>Unit</th><th>2024</th><th>2023</th></tr><tr><td>Warehouses</td><td>Shihmen Reservoir</td><td>Dahan River</td><td rowspan="3">Million liters</td><td>26,282</td><td>29,005</td></tr><tr><td>Offices</td><td>Feitsui Reservoir</td><td>Beishi River</td><td>15,495</td><td>17,873</td></tr><tr><td colspan="3">Total Water Consumption</td><td>41,777</td><td>46,878</td></tr></table> <p>Note 1: PChome's water sources consist exclusively of municipal tap water supplied by third-party providers of freshwater.</p> <p>Note 2: According to publicly available data from the World Resources Institute, PChome's operating locations in Taiwan are not situated in water-stressed areas.</p> <p>3. Waste Management Policy</p> <p>As an online retail platform, the Company operates under a relatively simple business model and does not produce hazardous waste. The primary type of waste generated is packaging materials, such as cardboard boxes. To manage this, the Company has implemented a comprehensive recycling and reuse mechanism, which includes regular collection and transfer to certified vendors for proper treatment and disposal.</p> <p>The total weight of waste generated and the results of recycling efforts are as follows:</p> <table><tr><th colspan="7">Total Waste</th></tr><tr><th rowspan="2">Item</th><th rowspan="2">Ways of Disposal</th><th rowspan="2">Unit</th><th colspan="2">2024</th><th colspan="2">2023</th></tr><tr><th>Warehouses</th><th>Offices</th><th>Warehouses</th><th>Offices</th></tr><tr><td>General Waste</td><td>Delivered to qualified vendors for removal and incineration</td><td rowspan="2">Metric Tons</td><td>76.20</td><td>106.40</td><td>103.60</td><td>124.60</td></tr><tr><td>Recycling</td><td>Delivered to qualified vendors for recycling</td><td>1,132.29</td><td>141.30</td><td>1,399.00</td><td>156.50</td></tr></table>	Water Consumption						Operating Location	Water Source	Rivers	Unit	2024	2023	Warehouses	Shihmen Reservoir	Dahan River	Million liters	26,282	29,005	Offices	Feitsui Reservoir	Beishi River	15,495	17,873	Total Water Consumption			41,777	46,878	Total Waste							Item	Ways of Disposal	Unit	2024		2023		Warehouses	Offices	Warehouses	Offices	General Waste	Delivered to qualified vendors for removal and incineration	Metric Tons	76.20	106.40	103.60	124.60	Recycling	Delivered to qualified vendors for recycling	1,132.29	141.30	1,399.00	156.50	
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			<table><tr><td>Subtotal</td><td></td><td>1,208.49</td><td>247.70</td><td>1,502.60</td><td>281.10</td></tr><tr><td>Total Weight of Waste</td><td></td><td>1,456.19</td><td></td><td>1,783.70</td><td></td></tr></table>						Subtotal		1,208.49	247.70	1,502.60	281.10	Total Weight of Waste		1,456.19		1,783.70		
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<p>4. Carbon label and carbon footprint analysis</p> <p>The Company is the first large-scale comprehensive online shopping platform in Taiwan to obtain the "Carbon Label" certification from the Environmental Protection Administration, Executive Yuan. Proactively assessing the carbon footprint of online retail services throughout their life cycle, the Company analyzes three key aspects: product services (such as product inspection and repackaging), environmental services (including the official website, domain, servers, and cross-platform integration), and transportation services (such as order pickup, delivery, returns, and exchanges). This approach enables effective quantification and planning of carbon reduction targets.</p> <p>5. Future carbon reduction action plans</p> <p>To strengthen greenhouse gas reduction and improve energy-saving performance, the Company has proposed the following key measures:</p> <p>(1)Fully implementing paperless operations in warehouses;</p> <p>(2)Operating in green warehouses and introducing smart logistics systems, including shuttle racks for bins and pallets, and automated guided vehicles (AGVs) for energy-efficient automation;</p> <p>(3)Enhancing green transportation by using low-carbon vehicles for product deliveries to reduce carbon emissions during transportation.</p>																					
4. Social Issues																					
(I) Does the Company draw up management	✓		The Company complies with the Labor Standards Act and other relevant labor laws and regulations, and respects internationally recognized fundamental labor human rights principles,					None													

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
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policies and procedures in compliance with relevant laws and regulations and the International Bill of Human Rights?			<p>voluntarily abiding by the "Universal Declaration of Human Rights", "United Nations Global Compact," "United Nations Guiding Principles on Business and Human Rights," and the human rights standards advocated by the International Labour Organization (ILO). The Company has established human rights policies and a sound personnel management system, and is committed to creating a friendly workplace environment that values human rights, respects diversity, and is free from discrimination and harassment.</p> <p>The Company adheres to the philosophy of people-oriented, employing people according to their talents, and placing them in suitable positions, and is committed to building a diverse, equal, and inclusive work culture to help employees fully develop their professional strengths. Relevant policies and measures include:</p> <ul style="list-style-type: none"> ● Workplace human rights protection and non-discriminatory employment policies; ● Providing a safe and healthy working environment; ● Guarantee of employees' freedom of association and collective bargaining rights; ● Establishment of smooth and effective labor-management communication channels; ● Information security and personal data protection; ● Promotion, regular review, and effectiveness assessment of the human rights policy. <p>The Company also regularly conducts human rights education and unlawful infringement prevention courses to enhance employees' awareness of human rights issues and their ability to identify potential risks, thereby preventing human rights violations.</p> <p>Looking back at 2024, although a complaint incident occurred, the Company promptly activated its handling procedures, appropriately addressed the situation, and reiterated its "zero tolerance for workplace misconduct" principle. Through dedicated competency training, the Company strengthened all employees' abilities to identify and respond to unlawful behavior, while maintaining smooth internal complaint and feedback channels to ensure the protection of employees' fundamental rights and dignity during their work.</p>	

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
			In addition, no incidents of customer data leakage, theft, or loss occurred in 2024, demonstrating the Company's strong commitment to information security and personal data protection. To continuously enhance employee well-being and professional development, the Company offers market-competitive compensation packages, a comprehensive training system, and a transparent promotion and career development mechanism. It remains committed to fostering a workplace environment built on respect, trust, and growth.	
(II) Does the Company establish and implement reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately reflect operating performance or results in employee compensation?	✓		<p>I. Implementing a fair compensation system and fostering a diverse and equitable workplace</p> <p>The Company embraces a spirit of inclusiveness and openness, welcoming outstanding talent from all fields. We are committed to creating an equitable workplace free from discriminatory treatment based on gender, age, race, religious beliefs, marital status, or political affiliation. The compensation system consists mainly of three components:</p> <ul style="list-style-type: none"> ● Base salary: Determined based on market salary benchmarks for each position. ● Bonus system: Linked to the achievement of individual and departmental goals, as well as the Company's overall operational performance. ● Welfare measures: Ensured through the Company's Articles of Incorporation and internal human resources management regulations, providing employees with a secure and attractive benefits system. <p>According to the Company's personnel management regulations, a clear performance appraisal system is established. Employee salaries are determined comprehensively based on academic and professional backgrounds, technical expertise, years of service, and job performance. Each year, clear work objectives are set in line with the Company's management policies, and performance appraisal results are used as the basis for salary and bonus adjustments, aiming to achieve mutual prosperity and success for both the Company and its employees.</p>	None

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
			<p>II. Employee Welfare Programs and Care Initiatives</p> <p>The Company has established an Employee Welfare Committee and allocates dedicated welfare funds on a monthly basis. A diverse range of welfare initiatives is regularly planned and promoted, encompassing workplace benefits, holiday celebrations, daily life support, recreational activities, healthcare services, and educational incentives. Through these comprehensive care measures, the Company aims to enhance employee satisfaction, strengthen team cohesion, and foster a supportive and fulfilling work environment.</p> <p>III. Sharing business results with employees</p> <p>The Company firmly believes that business achievements should be shared with all employees. Thus, Article 28 of the Company's Articles of Incorporation stipulates:</p> <p>If the Company reports a profit for the year, it shall allocate 1% to 15% of the earnings as employee compensation and up to 1.5% as directors' remuneration. However, if there are accumulated losses, the amount required to cover such losses shall be retained in advance. The recipients of employee compensation, whether in the form of stock or cash, may include employees of the Company's controlling or affiliated entities who meet certain eligibility criteria.</p> <p>In addition, the Company conducts regular annual reviews of its compensation structure based on market salary surveys and overall economic conditions. Salary adjustments are made according to individual performance to ensure the competitiveness of the remuneration system, thereby attracting and retaining top talent.</p>	

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
(III) Does the Company provide employees with a safe and healthy working environment, and conduct regular occupational safety and health training for its employees?	✓		<p>1. The Company is committed to creating a warm, safe, and healthy workplace environment. To ensure the safety and health of every worker, the Occupational Safety Office manages the occupational safety and health management programs, helping the Company actively comply with the Occupational Safety and Health Act requirements, promote various occupational safety and health management measures, and establish related procedures to provide all employees with a safe and secure working environment.</p> <p>2. To strengthen awareness of occupational safety and health, we conducted educational training related to workplace safety, enhancing our colleagues' knowledge in this area. Looking back at 2024, the Company invested a total of 3,900 hours in occupational safety and health training. The relevant training is as follows:</p> <p>(1) Training for new hires, current employees, and warehouse employees: Covering summaries of relevant occupational safety and health regulations, concepts of occupational safety and health, workplace safety codes, self-inspections before, during, and after operations, standard operating procedures, emergency incident response, and knowledge and drills in firefighting and first aid.</p> <p>(2) Various safety and health educational training: For employees operating forklifts, special operation safety and health education and training were conducted in accordance with the Occupational Safety and Health Education and Training Rules. Moreover, three hours of on-the-job education are provided every three years as required. Besides, forklift operation safety briefings, electric pallet truck operation safety briefings, lithium battery system charging procedures and precaution briefings, and health promotion activities were held monthly, with more than 3,378 individuals participating in these sessions.</p> <p>(3) Self-defense firefighting drills: Warehouses conducted two comprehensive firefighting drills annually, simulating scenarios where fires occur before the arrival of firefighters. warehouse staff was trained to quickly assess the situation under the premise of ensuring</p>	None

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
			<p>personal safety, effectively carrying out reporting, evacuation guidance, safety protection, firefighting, and emergency first aid measures. The headquarters conducted one evacuation drill annually to ensure employees are familiar with evacuation routes on each floor during emergencies.</p> <p>(4) Contractor operation management: In accordance with the Contractor Safety and Health Management Regulations, contractors must sign a Safety, Health, and Environmental Protection Commitment Letter before being awarded a project, followed by convening a coordination organization meeting. Before operations began, occupational safety personnel provided hazard notifications to the construction workers. During operations, unscheduled audits were conducted, and contractors were required to review and improve upon deficiencies identified through photographic evidence.</p> <p>(5) Safety and health promotion: Monthly safety and health briefings were conducted for site supervisors/leaders, who then communicated the information to their team members at the site.</p> <p>(6) Convening Occupational Safety and Health Committee meetings: With the participation of labor representatives, occupational safety and health management matters were jointly reviewed and discussed.</p> <p>(7) Employee health check-ups and safety and health education: Regular employee health check-ups were conducted along with safety and health education activities, including CPR+AED practical training, labor health promotion activities, on-site physician consultation services, and health and hygiene promotions (covering emerging infectious disease prevention policies and other precautionary measures).</p> <p>3. Occupational safety and health certifications: All employees engaged in occupational safety and health management at the Company have obtained the legally required certifications. In addition, personnel are regularly assigned to participate in seminars or briefings organized by</p>	

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor								
	Yes	No	Abstract Explanation									
			<p>government agencies or academic institutions, as well as in-service training courses held by safety and health associations.</p> <p>4.Other occupational safety and health inspection operations: Daily on-site occupational safety observations are conducted. Whenever unsafe environments or behaviors are identified, a corrective action report is immediately issued.</p> <p>5.Operational environment monitoring is conducted twice a year to ensure that carbon dioxide concentration and illumination levels comply with regulatory standards.</p> <p>6.Annual Operational Items and Frequency</p> <table><tr><th>Item</th><th>Operating Frequency</th></tr><tr><td>Fire Drill (Warehouse)</td><td>Twice/year</td></tr><tr><td>Work Environment Monitoring</td><td>Twice/year</td></tr><tr><td>Pest Disinfection Project</td><td>At least 25 times/year</td></tr></table>	Item	Operating Frequency	Fire Drill (Warehouse)	Twice/year	Work Environment Monitoring	Twice/year	Pest Disinfection Project	At least 25 times/year	
Item	Operating Frequency											
Fire Drill (Warehouse)	Twice/year											
Work Environment Monitoring	Twice/year											
Pest Disinfection Project	At least 25 times/year											
(IV)Does the Company have an effective training program for the career development of its employees?	✓		<p>The Company is committed to enhancing overall corporate competitiveness and strengthening employee professional capabilities by establishing a comprehensive talent development system. Based on six core competency frameworks - Business, Job-Specific, Leadership, Core, PChome-Specific, and Regulatory — the Company designs a full spectrum of training programs to support the development needs of employees across different levels and roles. The training content includes the following:</p> <ul style="list-style-type: none">● Pre-employment training for new hires● Fundamental and professional job training● Programming application and information security education● Patent and regulatory knowledge courses <p>The Company delivers training through both online and in-person formats, offering a diverse and flexible learning model to enhance accessibility and participation. Upon course completion, a</p>	None								

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
			<p>training effectiveness tracking mechanism is implemented to collect quality feedback and refine course content, ensuring that learning outcomes are effectively translated into practical competencies.</p> <p>Training Results for 2024:</p> <ul style="list-style-type: none"> ● Total number of training participants: 5,560 ● Total training hours: 8,320 	
(V) Does the Company comply with relevant regulations and international standards regarding customer health and safety, data privacy, marketing, and labeling of products and services, and has it established policies and grievance mechanisms to protect consumer or client rights and interests?	✓		<ol style="list-style-type: none"> 1. Regulatory Compliance Mechanism The Company strictly complies with relevant government regulations and has established a dedicated unit responsible for tracking regulatory updates. Regular dissemination and internal promotion of regulatory information are conducted to ensure that all business activities comply with legal requirements. 2. Personal Data Protection and Information Security Policy To safeguard customer privacy and personal data security, the Company has established a personal data protection management system and policy. Through internal data audits, external validations, risk prevention measures, and employee training programs, the Company ensures the proper handling and protection of personal information. In addition, clear management regulations are in place for marketing and advertising activities to ensure that all procedures comply with legal standards and to prevent regulatory violations. 3. Customer service and Grievance Mechanism The Company has set up a customer service department and a stakeholder communication mailbox to proactively monitor the implementation of customer-related policies and handle customer feedback and complaints to ensure that customer concerns are promptly and properly addressed. The Company also regularly reviews the types of complaints and the effectiveness of their resolutions to serve as a basis for service optimization and internal 	None

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
			improvements, thereby safeguarding customer rights and enhancing service quality.	
(VI) Has the Company established a supplier management policy requiring suppliers to comply with relevant standards regarding environmental protection, occupational health and safety, and labor or human rights, and does the Company monitor the implementation of such compliance?	✓		<p>The Company has established the supplier management policies, which clearly requires suppliers to comply with relevant regulations and international standards concerning environmental protection, occupational safety and health, and labor rights. All suppliers entering the Company's operational sites must commit to and strictly adhere to occupational safety and health regulations as well as labor-related laws.</p> <p>To strengthen the supply chain management mechanism, the Company conducts written audits of all suppliers and, when necessary, carries out on-site inspections to ensure that their business practices comply with legal requirements and the Company's sustainability standards.</p> <p>Furthermore, the Company maintains occasionally communication through phone calls and emails to proactively monitor suppliers' operational status, fostering transparency and continuous interaction between both parties.</p> <p>PChome is committed to building long-term, stable, and sustainability-oriented partnerships with its suppliers. Starting in 2024, the Company has strengthened its supplier sustainability evaluation mechanism by conducting comprehensive assessments based on the three ESG pillars: Environmental (E), Social (S), and Governance (G). Suppliers' sustainability performance has been incorporated into the criteria for supplier selection and partnership evaluation. Through shared sustainability values, the Company aims to jointly fulfill corporate social responsibilities with its suppliers and create a win-win outcome for sustainable development.</p>	None
(VII) Does the Company refer to internationally recognized reporting	✓		Since 2020, the Company has prepared and published the "Sustainability Report" to systematically disclose major issues, management policies, and implementation performance in the economic, environmental, and social aspects, demonstrating the Company's commitment and	None

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
standards or guidelines in preparing its sustainability reports or other reports disclosing non-financial information? Have such reports obtained assurance or verification opinions from third-party assurance providers?			<p>actions to implement sustainable development.</p> <p>The content of the report is prepared in accordance with the core options of the Global Reporting Initiative (GRI) Sustainability Reporting Standards, and references the disclosure indicators related to the e-commerce industry published by the Sustainability Accounting Standards Board (SASB) to respond to stakeholders' concerns on ESG issues and enhance information transparency and comparability.</p> <p>The data and indicators disclosed in the report are all handled in accordance with the corresponding management system specifications and have the following characteristics:</p> <ul style="list-style-type: none"> ● Financial information: calculated in New Taiwan Dollars and audited and attested by an accounting firm. ● Environment and occupational safety and health management system: Regular internal audits are conducted to ensure the accuracy of operating standards and data. <p>The Company's Sustainability Report is publicly available on the company's official website for all stakeholders to access as an important basis for continuously strengthening communication and corporate transparent governance.</p>	
<p>5. In accordance with the "Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies," the Company has established its own Sustainability Development Guidelines. In 2022, the Company formally established a Sustainability Development Committee, chaired by the CEO, and set up an ESG Task Force. The task force members regularly monitor and discuss the implementation status of sustainability initiatives, while the Sustainability Development Committee reports to the Board of Directors as appropriate. These efforts collectively aim to advance four key objectives: strengthening corporate governance, fostering a sustainable environment, safeguarding social welfare, and enhancing the disclosure of sustainability-related information.</p>				

Evaluation Item	Implementation Status			Differences from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and the reasons therefor
	Yes	No	Abstract Explanation	
6.	Other Material Information Regarding the Company's Sustainability Performance Please refer to the Company's website for ESG-related information such as corporate governance, environmental safety and health, and social welfare.			

Climate Implementation status

Item	Implementation status
1. Oversight and Governance of Climate-Related Risks and Opportunities	<p>To enhance governance over sustainability and climate issues, the Company established the Sustainability Development Committee in 2022 to lead and coordinate sustainability strategies. An Environmental and Energy Task Force operates under the committee, dedicated to planning and executing environmental initiatives. The task force regularly monitors progress and reports results to the Board of Directors, reinforcing board oversight and involvement in sustainability matters.</p> <p>The Company also promotes climate awareness within management and fosters cross-departmental collaboration to strengthen organizational climate resilience. Climate-related risks and opportunities are progressively integrated into the Company's sustainability strategy and risk management framework, ensuring a structured response to potential impacts and supporting long-term business resilience.</p>
2. Climate-Related Risks and Opportunities: Impacts on Business Strategy and Financial Planning Across Time Horizons	<p>The Company continues to follow the TCFD framework in identifying and managing climate-related risks and opportunities. In 2023, two new transition risks were added through the materiality assessment process: carbon pricing and changes in customer behavior. All identified items have been analyzed for potential impacts and corresponding mitigation strategies have been formulated.</p> <p>Based on the assessment results, climate-related risks and opportunities are categorized by time horizon as follows:</p> <ul style="list-style-type: none"> ● Short-term (0–3 years): <ul style="list-style-type: none"> ➢ Increased frequency and severity of extreme weather events (e.g., typhoons and floods) ➢ Changing customer behavior driven by rising environmental awareness ➢ Rising raw material costs ➢ Opportunities for developing low-carbon products and services ● Medium-term (3–10 years): <ul style="list-style-type: none"> ➢ Extreme shifts in rainfall patterns and overall climate conditions ➢ Rising carbon pricing leading to increased operating costs ➢ Transition to energy-efficient production and distribution processes ➢ Opportunities in developing circular economy business models ● Long-term (over 10 years): <ul style="list-style-type: none"> ➢ Growing stakeholder expectations and potential reputational risks related to corporate sustainability ➢ Increasing necessity to establish resilient and sustainable supply chain systems <p>The Company has formulated specific management response measures for the above risks and opportunities,</p>

Item	Implementation status
	<p>which have been incorporated into its sustainability strategies and risk management framework. Through ongoing cross-departmental collaboration, the Company continues to monitor climate change trends and strengthen its operational resilience and sustainable competitiveness.</p>
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>Based on the results of climate change risk identification, the Company has identified risk scenarios that may materially affect its operations, focusing on extreme weather, water resource variability, and carbon cost policies. The potential impacts are outlined as follows:</p> <p>I. Extreme weather events (e.g., flooding)</p> <ul style="list-style-type: none"> ● Flooding may damage inventory stored in warehouses, leading to asset impairment. ● Flooding may also damage equipment or shorten its lifespan, resulting in increased capital expenditures. ● Delays in shipments and disruptions in inventory adjustment operations may impact operational efficiency and customer satisfaction. <p>II. Extreme changes in rainfall patterns and climate conditions</p> <ul style="list-style-type: none"> ● To maintain stable temperatures in offices and warehouses, the frequency of air conditioning use may increase, leading to: <ul style="list-style-type: none"> ➢ Higher electricity costs; ➢ Shortened lifespan of air conditioning and related equipment, resulting in increased depreciation and replacement frequency. ● High temperatures may affect the stability of supply for certain products, leading to some commodities being out of stock or shipment failures, subsequently causing decline in revenue. ● Water shortages may impair the cooling of network equipment, potentially causing system failures, disrupting operations, and increasing operational risks and costs. <p>III. Increase in greenhouse gas emission pricing</p> <ul style="list-style-type: none"> ● Rising carbon emission costs in the future may impose higher operational burdens on the Company. ● To mitigate the impact of greenhouse gas emission pricing, the Company is actively exploring ways to reduce its GHG emissions and is seeking to increase the use of renewable energy, such as green electricity. However, as the current cost of green electricity remains higher than conventional power, increasing its usage may lead to higher operating costs. ● Given that electricity is the Company's primary source of greenhouse gas emissions, it will be necessary to continue identifying concrete solutions for reducing emissions and improving energy efficiency in order to alleviate cost pressures.

Item	Implementation status
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>To proactively address climate-related risks and opportunities, the Company closely monitors industry developments and government policy updates. These insights are integrated into our climate risk assessments and broader risk management framework to enhance preparedness and responsiveness.</p> <p>The Company has established a process and tracking mechanism for assessing climate-related risks and opportunities. This is led by the Sustainability Development Committee, with participation from representatives of various departments for which cross-functional discussions are held to identify climate-related financial risks and opportunities. Through this mechanism, the Company identifies short-, medium-, and long-term climate risks and opportunities, analyzes their potential impacts, and proposes specific response and management measures aimed at reducing potential disruptions and seizing transition opportunities.</p> <p>Furthermore, the Company has defined climate risk and opportunity management objectives and quantitative key performance indicators (KPIs) to facilitate performance tracking and the continuous improvement of management. Related implementation progress is disclosed periodically in the Sustainability Report to ensure information transparency and reinforce communication and trust with stakeholders.</p>
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The Company uses questionnaire-based assessments to evaluate climate change risks; therefore, these disclosure requirements are not applicable.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Please refer to the Company's official website under the "Important Company Regulation" section for the Environmental and Energy Conservation and Carbon Reduction Management Policy and the Greenhouse Gas Reduction Management Policy.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	As of the publication date of this annual report, the Company's internal carbon pricing mechanism is still under development.

Item	Implementation status
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	The Company reviews and updates its energy consumption records annually, calculates actual "carbon" and "greenhouse gas" emissions, and continues to promote carbon management initiatives and formulate clear improvement measures. One of its key goals is to increase the use of electric vehicles and reduce greenhouse gas emissions from conventional fuel-powered transportation. Also, the Company has formulated climate-related risk and opportunity management objectives and indicators, and discloses implementation status regularly in the Sustainability Report.
9. Greenhouse gas inventory and assurance status and reduction targets, strategies and specific action plans.	Details on greenhouse gas inventories can be found on page 78 of the 2023 Sustainability Report. Verified information will be disclosed in accordance with the timeline set by the Financial Supervisory Commission.

(6) Ethical management implementation status and deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
I. Establishment of ethical management policies and schemes				
(I) Has the Company established the ethical corporate	✓		The Company, with reference to the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" promulgated by the	None

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
management policies approved by the Board of Directors and specified in its rules and external documents?			<p>Financial Supervisory Commission, adopted its own "Ethical Corporate Management Principles" on December 24, 2010, following approval by the Board of Directors. These principles serve as the foundation for promoting ethical governance and fostering a corporate culture of integrity.</p> <p>The purpose of the Principles is to assist the Company and its subsidiaries, affiliates, and related organizations in establishing sound business ethics and integrity management mechanisms. They provide a comprehensive framework for business conduct, thereby supporting healthy corporate development and long-term sustainability. The Company remains committed to strengthening employee awareness of integrity, implementing relevant systems and internal controls, and ensuring that all business activities are conducted in accordance with ethical standards.</p>	
(II) Has the company established a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within its business scope which are at a higher risk of being involved in	✓		<p>To uphold the principle of ethical business conduct, the Company analyzes areas within its business activities that may pose higher risks of unethical behavior. Based on the identified risk levels, the Company formulates specific preventive measures to reduce potential operational risks and protect its corporate reputation. The preventive measures cover the following high-risk behaviors and their corresponding control and prevention strategies:</p> <ul style="list-style-type: none"> ● Prevention of bribery and corruption ● Prohibition of illegal political contributions 	None

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
unethical conduct, and establish prevention programs accordingly, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?			<ul style="list-style-type: none"> ● Avoidance of improper charitable donations or sponsorships ● Prevention of offering or accepting unreasonable gifts, hospitality, or other improper benefits <p>Through the establishment of internal policies, implementation of training programs, and enforcement of control mechanisms, the Company continuously strengthens employees' awareness and compliance with ethical principles, thereby fostering a transparent, responsible, and trustworthy corporate culture.</p>	
(III) Does the company specify the operating procedures, behavioral guidelines, violation of disciplinary and grievance system in the prevention plan of dishonesty, and implement it, and regularly review the correction plan?	✓		<p>According to the integrity of the business rationale and policy, the company clearly and carefully formulated the prevention of dishonesty behavior plan, including operating procedures, behavior guidelines and training, etc. including</p> <ul style="list-style-type: none"> ● Operating Procedures: Clearly define standard operating procedures for various business activities to reduce the risk of misconduct. ● Code of Conduct: Provide employees with integrity guidelines to follow when performing their duties, serving as the basis for daily decision-making and behavior. ● Education and Training: Regularly conduct courses on integrity management and legal compliance to strengthen all employees' risk 	None

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			<p>awareness and self-discipline.</p> <p>Through institutionalized and continuous implementation, the Company actively fosters a corporate culture of integrity, transparency, and accountability, thereby enhancing the quality of governance and strengthening the trust of stakeholders.</p>	
II. Implementation of Ethical Business Practices				
(I) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		<p>The Company strictly adheres to the principles of ethical business conduct in all commercial activities and avoids engaging in transactions with parties known to have records of unethical behavior. This approach is intended to reduce operational risks and safeguard the Company's reputation.</p> <p>To enforce its ethical business policy, the Company includes integrity clauses in relevant commercial agreements, requiring counterparties to adhere to standards of ethical conduct. If a counterparty is found to have committed a serious breach of ethical practices, the Company may, in accordance with the contract terms, terminate the business relationship to ensure that all operations are aligned with ethical standards and corporate governance principles.</p>	None

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
(II) Does the company set up a dedicated unit to promote corporate integrity management under the board of directors, and regularly (at least once a year) to report its integrity management policy and anti-integrity behavior plan to the Board and supervise the implementation?	✓		<p>The Company's Board of Directors, upholding its fiduciary duties and the responsibilities of a prudent administrator, actively supervises all departments to prevent dishonest conduct. It also regularly reviews the integrity management policy and its implementation results to ensure continuous improvement, thereby embedding the principles of integrity into corporate governance and daily operations.</p> <p>To establish a sound integrity management framework, the Board Secretary Office serves as the responsible unit for the integrity management policy and prevention programs. It is tasked with formulating, promoting, and overseeing related systems to ensure that integrity standards are effectively internalized and integrated into the Company's daily operations, thereby strengthening the foundation for sustainable corporate governance.</p>	None
(III) Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels and thoroughly implement the policies?	✓		<p>The Company has established a comprehensive conflict of interest prevention policy, along with an appropriate reporting and handling mechanism. The system has operated effectively, enabling employees to identify and proactively report potential conflict of interest situations.</p> <p>In accordance with the Company's "Ethical Corporate Management Principles" implementation plan, all employees are required to proactively disclose any conflicts of interest related to their duties. Employees in managerial positions or</p>	None

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			<p>engaged in sensitive business areas must, based on their roles and responsibilities, submit annual declarations regarding any actual or potential conflicts of interest. This practice enhances internal oversight and accountability.</p> <p>All disclosures are reviewed and handled by the Company in accordance with relevant regulations to ensure that decision-making and execution processes are fair, impartial, and transparent. These measures reinforce the Company's commitment to ethical business practices and safeguard overall corporate interests.</p>	
(IV) Has the Company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and	✓		<p>The Company has established a sound and effective accounting system and internal control mechanisms for business activities identified as having a higher risk of unethical conduct. The Company ensures that no off-the-book accounts or undisclosed accounts are maintained. To further enhance the effectiveness of these systems, the Company continuously reviews both the design and implementation of relevant controls to ensure their integrity and ongoing effectiveness.</p> <p>In accordance with the annual audit plan, the internal audit unit regularly examines compliance with these systems. Audit findings are documented in formal audit reports and submitted to both the Audit Committee and the Board</p>	None

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?			of Directors. These reports serve as a key basis for the Company's senior governance bodies to supervise the implementation of internal control systems and the fulfillment of ethical business practices.	
(V) Has the Company regularly held internal and external training sessions on ethical management?	✓		<p>The Company continues to promote a culture of ethical business conduct through internal and external training programs. Courses related to ethical corporate management are held on an irregular basis to enhance all employees' understanding of the Company's integrity policies and their ability to apply them in practice. These efforts aim to strengthen corporate ethics and foster a workplace environment that values legal compliance and accountability.</p> <p>Compliance training is one of the core components of the Company's regulatory compliance program. The Company regularly develops and delivers legal education courses that explain newly enacted or job-relevant regulations. These training programs not only improve employees' sensitivity to regulatory changes but also reinforce their commitment to integrity and their ability to comply with relevant standards in day-to-day operations.</p>	None
III. Implementation of whistleblowing system				
(I) Has the Company established a concrete whistleblowing and	✓		To strengthen its integrity management system, the Company has established a transparent and protective whistleblowing mechanism, enabling all	None

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
reward system, established convenient whistleblowing channels, and designated appropriate personnel to handle the case being exposed by the whistleblower?			<p>stakeholders to report any violations of integrity or ethical principles. This system helps the Company detect and address irregularities at an early stage.</p> <p>The whistleblowing channels are divided into internal and external categories as follows:</p> <ul style="list-style-type: none"> ● Internal Whistleblowing: Employees may report issues through their direct supervisors or via a designated internal audit email address. ● External Whistleblowing: Reports submitted by external parties will trigger a formal investigation process, which will be carried out by designated personnel. <p>The Company adheres to strict confidentiality and non-retaliation principles for all reports, ensuring the safety and legal rights of whistleblowers. Based on the investigation results, appropriate follow-up actions will be taken to ensure that the integrity management policy is effectively implemented across all levels of the Company's operations.</p>	
(II) Does the company set standard operating procedures for the investigation, follow-up	✓		The Company handles all reported whistleblower cases and subsequent investigations with strict confidentiality and professionalism to protect the identity of the whistleblower and ensure fairness in case handling. The relevant procedures and standards have been clearly incorporated into the Company's	None

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
measures to be taken after the completion of the investigation and the relevant confidentiality mechanism?			<p>internal management regulations, serving as the basis for internal implementation and audit.</p> <p>A dedicated unit has been established to oversee the receipt, investigation, and follow-up of whistleblower reports. During the investigation process, the Company exercises strict control over the flow of information to prevent data leakage or improper interference, thereby ensuring the effective implementation of its ethical business practices.</p>	
(III) Has the Company established measures to protect whistleblowers from retaliation?	✓		<p>To ensure the effectiveness and fairness of the whistleblowing system, the Company has established clear protection measures for whistleblowers, stipulating that no whistleblower shall be subjected to improper treatment or retaliation as a result of making a report.</p> <p>All personal information and report content involved in the whistleblowing process are handled under strict confidentiality and managed by a designated unit that rigorously controls the investigation procedures. If any retaliatory or adverse action against a whistleblower is discovered, the Company will take serious action in accordance with laws and internal regulations to safeguard the legitimate rights and personal dignity of the whistleblower.</p> <p>This mechanism is designed to encourage both internal and external</p>	None

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
			stakeholders to confidently raise concerns related to integrity or legal compliance, thereby enhancing the transparency of corporate governance and jointly upholding the core value of integrity in business operations.	
IV. Enhancement on information disclosure Has the Company disclosed its Principles of Business Ethics and information on implementation of such guidelines on its website and MOPS?	✓		To enhance information transparency, the Company has disclosed the content of its "Code of Conduct with Integrity" on the official corporate website and the Market Observation Post System, making it accessible to stakeholders. By proactively sharing relevant policies and regulations, the Company demonstrates its commitment to implementing integrity governance and fosters understanding and trust in its corporate governance mechanisms both internally and externally.	None
V. If the Company has established its own Principles of Business Ethics pursuant to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please describe the implementation status and any deviations from the Best Practice Principles: The Company has established its own Principles of Business Ethics and continued to promote via various activities for increasing awareness at the management level. The Company's principles and its implementation are not significantly different from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies". The Company continues to promote the ethical corporate management system in accordance with the established principles. Through ongoing advocacy and training programs, it strengthens the awareness and implementation of integrity policies among the management team and all employees. These efforts aim to embed the concept of integrity into the Company's daily operations and culture, thereby advancing the goals of sound corporate governance and sustainable business development.				

Evaluation Item	Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons
	Yes	No	Summary	
VI. Other important information to facilitate better understanding of the Company's ethical management practices (e.g. the Company reviews and revises its Principles of Business Ethics, etc.): The Company regularly conveys its ethical management policies to business counterparties and there are relevant clauses in business contracts to prevent any violation of the Principles of Business Ethics.				

(7) Other important information to facilitate better understanding of the Company's corporate governance shall be disclosed all together:

A. Transparency in the Nomination and Election of Independent Directors

The nomination and election of the Company's independent directors, including the nomination process, candidate qualifications and compliance status, as well as the election procedure and results, are all conducted in accordance with relevant regulations. These details are disclosed on the Company's website to ensure transparency and accessibility for shareholders and stakeholders.

B. Strengthening Governance Communication Mechanisms

To enhance corporate governance effectiveness, the Company engages in periodic communication and exchange of opinions with auditors, independent directors, the head of internal audit, and the chief financial officer. Discussions cover financial reporting, internal control systems, risk issues, and business strategies, thereby strengthening supervisory and coordination mechanisms.

C. Emphasis on Information Disclosure and Timely Transparency

The Company places great importance on information disclosure and transparency. In addition to disclosing required information on the Market Observation Post System (MOPS), financial statements and material information are also simultaneously published on the Company's website and promptly communicated to all directors. This helps directors stay informed about the Company's operations and ensures the right to know for investors and stakeholders, thereby improving corporate transparency and trust.

D. Implementation of Board Performance Evaluation System

The Company has established a performance evaluation mechanism for the Board of Directors and its functional committees. Regular internal self-assessments are conducted, and external professional institutions are engaged when appropriate to assist in evaluations. These assessments serve as a basis for optimizing board composition and operations, thereby enhancing corporate governance quality.

E. Effective Promotion of Legal Compliance and Ethical Business Practices

The Company continuously conducts training programs on legal compliance and ethical business practices to enhance employees' awareness of relevant laws and integrity principles. A whistleblowing and grievance mechanism is in place, supported by confidentiality and whistleblower protection measures, to foster a corporate culture of integrity and compliance.

(8) Internal control system

A. Statement on Internal Control System

Please refer to the link of the Market Observation Post System (MOPS):

<https://mops.twse.com.tw/mops/#/web/t06sg20>

Home > Individual Company > Corporate Governance > Company Charter / Internal Control > Internal Control System Statement Announcement

B. Where CPAs are retained to audit the internal control system, please disclose the CPAs' audit report: None.

(9) Major resolutions of the Shareholders' Meetings and Board of Directors' meetings in the most recent fiscal year and as of the date of this annual report

A. Major resolutions of the Shareholders' Meetings in the most recent fiscal year and as of the date of this annual report

Date	Proposals and Implementation Status		
	Case by	Results of voting	Implementation status
2024.06.19	(1) Adoption of the 2023 Business Report and Financial Statements	Total voting rights: 86,306,441 (including 16,950,438 electronic votes); Votes in favor: 78,884,221; Votes against: 426,887; Invalid votes: 0; Abstention and uncast votes: 6,995,333. The votes in favor accounted for 91.40% of the voting rights of the shareholders present at the time of voting. The proposal was approved.	The resolution has been duly approved by the shareholders' meeting in accordance with the Company Act before the end of June.
	(2) Proposal for 2023 Deficit Compensation	Total voting rights: 86,306,441 (including 16,950,438 electronic votes); Votes in favor: 78,922,007; Votes against: 455,322; Invalid votes: 0; Abstention and uncast votes: 6,929,112. The votes in favor accounted for 91.44% of the voting rights of the shareholders present at the time of voting. The proposal was approved.	The proposal for the appropriation of earnings for fiscal year 2023 (Year 112) was approved by the shareholders' meeting, with no distribution declared.
	(3) The Company's 9th Directors Election	Hung-Tze Jan 79,532,437 votes Alice Chang 77,547,591 votes Bruce Chou 77,602,483 votes Corporate representative of Site Inc.:	The election of the new Board of Directors has been concluded, and the relevant corporate

Date	Proposals and Implementation Status		
	Case by	Results of voting	Implementation status
		Vicky Tseng 77,008,845 votes Corporate representative of Site Inc.: Allan Chou 77,029,921 votes Corporate representative of CDIB Venture Capital Corporation: Ryan Kuo 77,572,003 votes Independent director: Tan HoChen 77,232,821 votes Independent director: Yi-Jin Tu 77,194,667 votes Independent director: Lambert Chien 77,102,542 votes	registration has been updated accordingly.
2024.12.19	Proposal for the issuance of common stock in private placement	Total voting rights: 87,893,706 (including 22,375,357 electronic votes); Votes in favor: 82,009,659; Votes against: 42,836; Invalid votes: 0; Abstention and uncast votes: 5,841,211. The votes in favor accounted for 93.30% of the voting rights of the shareholders present at the time of voting. The proposal was approved.	Pursuant to the resolution of the shareholders' meeting, the private placement was completed on January 23, 2025 (Year 114, ROC calendar), and the related registration changes have been duly processed.

B. Major Resolutions of the Board of Directors in the Most Recent Fiscal Year and Up to the Date of Publication of the Annual Report

Date	Major Proposals	Resolution
2024.02.22	The 2023 business report and financial statements.	All attending Directors voted in favor of the proposal without any objections.
2024.03.19	1. No dividend is distributed for the year 2023. 2. Formulation of plans associated with the 2024 Annual Shareholders' Meeting.	All attending Directors voted in favor of the proposal without any objections. All attending Directors voted in favor of the proposal without any objections.
2024.04.29	1. Consolidated financial statements for the first quarter of 2024. 2. To approve the slate of nominees for directors.	All attending Directors voted in favor of the proposal without any objections. All attending Directors voted in favor of the proposal without any objections.

Date	Major Proposals	Resolution
2024.06.19	1. Chairman election. 2. Appointment of members of the Audit Committee and Remuneration Committee.	All attending Directors voted in favor of the proposal without any objections.
2024.08.13	Consolidated financial statements for the second quarter of 2024.	All attending Directors voted in favor of the proposal without any objections.
2024.10.23	1. Proposal for Private Placement of Common Shares through Cash Capital Increase 2. Amendments to the Company's Articles of Association. 3. The Company's plan for holding its extraordinary shareholders meeting for 2024.	All attending Directors voted in favor of the proposal without any objections. All attending Directors voted in favor of the proposal without any objections. All attending Directors voted in favor of the proposal without any objections.
2024.11.13	Consolidated financial statements for the third quarter of 2024.	All attending Directors voted in favor of the proposal without any objections.
2025.01.09	Proposed Pricing Plan for the Private Placement of Common Shares through Cash Capital Increase	All attending Directors voted in favor of the proposal without any objections.
2025.03.12	The 2024 business report and financial statements.	All attending Directors voted in favor of the proposal without any objections.
2025.03.25	1. No dividend is distributed for the year 2024. 2. Formulation of plans associated with the 2025 Annual Shareholders' Meeting.	All attending Directors voted in favor of the proposal without any objections. All attending Directors voted in favor of the proposal without any objections.

(10) Where Directors or Supervisors expressed different opinions regarding major resolutions of the Board meetings, either by recorded statement or in writing, in the most recent fiscal year and as of the date of this annual report, please disclose the details: None.

4 Audit Fees for Independent Auditors

Where the non-audit fees paid to the CPAs, their accounting firms, and affiliated entities exceed 25% of the audit fees, the Company shall disclose the amounts of both audit and non-audit fees, along with a description of the services provided for the non-audit fees.

Unit: NT\$ 1,000

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fees	Non-Audit Fees	Total	Remarks
KPMG	Pearl Chen Lillian Lien	2024	3,750	2,445	6,195	Non-audit fees: Tax certification, country-by-country and transfer pricing report preparation, and regulatory advisory services.

- (1) Where the CPA firm was replaced and the audit fees in the fiscal year of replacement were less than that in the previous fiscal year, the amount of audit fees paid before/after replacement and reasons thereof shall be disclosed: None.
- (2) Where the audit fees were reduced by 10% or more on a year-to-year basis, the amount and percentage of decrease in audit fees, and the reason for such decrease shall be disclosed: The Company's FY 2024 audit fees did not decrease by more than 10% from the FY 2023 audit fees.

5 Change of Independent Auditor: None.

- 6 The company's chairman, general manager, manager responsible for finance or accounting affairs, has worked in the office of a visa accountant or its affiliates within the last year: None.**

7 Changes in Shareholding and Shares Pledged by Directors, Supervisors, Managerial Officers, and Shareholders Holding 10% or More of the Company's Shares in the Most Recent Fiscal Year and up to the Date of Publication of this Annual Report.

- (1) Changes in shareholding of Directors, managers and shareholders with 10% shareholdings or more

Please refer to the link of the Market Observation Post System (MOPS):

Stock Transfer: https://mops.twse.com.tw/mops/#/web/query6_1

Home > Individual Company > Shareholding Changes / Securities Issuance > Inquiry on Stock Transfer Records > Shareholding Changes Post-Reporting Form

Stock Pledge: https://mopsov.twse.com.tw/mops/web/STAMAK03_1

Home > Individual Company > Shareholding Changes / Securities Issuance > Insider Share Pledge and Release > Disclosure of Insider Share Pledge and Release

- (2) Where the counterparty of share transfer or pledged is a related party: None.

8 Top 10 Shareholders Who are Related Parties, Spouses, or within Second Degree of Kinship to Each Other

As of April 27, 2025

Name	Individual Shareholding		Shareholding Of Spouse And Minor Children		Shareholding By Nominee Arrangement		Names and Relationship of Top 10 Shareholders who are Related Parties, Spouses or within Second-Degree Relatives to Each Other		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Uni-President Enterprises Corp.	61,694,120	30.00%	0	0%	0	0%	None	None	None
Uni-President Enterprises Corp. Representative: Chih-Hsien Lo	0	0.00%	0	0%	0	0%	None	None	None
Site Inc.	18,907,864	9.19%	0	0%	0	0%	None	None	None
Site Inc. Representative: Hung-Tze Jan	2,880,746	1.40%	0	0%	0	0%	Apu Jan	Father and son	None
Standard Chartered Bank International Business Department Trustee of Royal Bank Lee (Singapore) Limited Investment Account	5,617,655	2.73%	0	0%	0	0%	None	None	None
Iming Chou	4,327,880	2.10%	0	0%	0	0%	None	None	None
Hung-Tze Jan	2,880,746	1.40%	0	0%	0	0%	Apu Jan	Father and son	None
Apu Jan	2,627,505	1.28%	0	0%	0	0%	Hung-Tze Jan	Father and son	None
Zhi-long Lin	2,390,000	1.16%	0	0%	0	0%	None	None	None
CDIB Venture Capital Corporation.	1,875,293	0.91%	0	0%	0	0%	None	None	None
CDIB Venture Capital Corporation. Representative: Chun-Hui Ho	0	0.00%	0	0%	0	0%	None	None	None
Chunghwa Investment Co., Ltd.	1,875,293	0.91%	0	0%	0	0%	None	None	None
Chunghwa Investment Co., Ltd. Representative: Yan-zhi Ding	0	0.00%	0	0%	0	0%	None	None	None
Huang, Kuan-Dan	1,840,000	0.89%	0	0%	0	0%	None	None	None

9 Number of Shares Held and the Consolidated Shareholding Percentage of the Company, the Company's Directors, Supervisors, Managers and Directly or Indirectly Controlled Entities on the Same Investee.

December 31, 2024/ Unit: Thousand Shares/ %

Investee (Note)	Investment by the Company		Investment by Directors, Supervisors, Managerial Officers and Directly or Indirectly Controlled Entities		Total Investment	
	Shares	%	Shares	%	Shares	%
Rakuya International Info. Co., Ltd.	3,035	26.47%	0	0%	3,035	26.47%
UPN Information Co., Ltd.	400	40.00%	0	0%	400	40.00%

Note: Long-term investment accounted for under the equity method

Chapter 3. Capital Overview

1 Capital and Shares

- (1) Source of Share Capital: Describes the types of shares issued for the most recent year and up to the publication of the Annual Report. If approved for the issuance of securities under a blanket reporting system, information about the approved amount, the planned issue and securities issued should also be disclosed.

As of April 30, 2025/ Unit: Shares; NT\$

Month/ Year	Issue price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		No. of Shares	Amount	No. of Shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Others
1998.07	10	5,000,000	50,000,000	1,450,000	14,500,000	Initial capital	None	Note 1
1998.12	10	5,400,000	54,000,000	5,100,000	51,000,000	Capital increase by cash NT\$36,500,000	None	Note 2
1999.05	10	7,800,000	78,000,000	6,000,000	60,000,000	Capital increase by cash NT\$9,000,000	None	Note 3
1999.07	20	20,600,000	206,000,000	11,000,000	110,000,000	Capital increase by cash NT\$50,000,000	None	Note 4
1999.11	20	20,600,000	206,000,000	13,000,000	130,000,000	Capital increase by cash NT\$20,000,000	None	Note 5
1999.12	58.5	20,600,000	206,000,000	16,000,000	160,000,000	Capital increase by cash NT\$30,000,000	None	Note 5
2000.09	25	88,800,000	888,000,000	50,000,000	500,000,000	Capital increase by cash NT\$340,000,000	None	Note 6
2004.07	10	88,800,000	888,000,000	54,175,392	541,753,920	Capital increase from retained earnings NT\$41,753,920	None	Note 7
2005.07	10	88,800,000	888,000,000	56,274,045	562,740,450	Capital increase from retained earnings NT\$20,986,530	None	Note 8
2005.12	10	88,800,000	888,000,000	55,462,545	554,625,450	Cancellation of treasury stocks (NT\$8,115,000)	None	Note 9
2006.08	10	88,800,000	888,000,000	55,981,873	559,818,730	Capital increase from retained earnings	None	Note 10

Month/ Year	Issue price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		No. of Shares	Amount	No. of Shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Others
						NT\$5,193,280		
2010.08	10	88,800,000	888,000,000	58,260,149	582,601,490	Capital increase from retained earnings NT\$22,782,760	None	Note 11
2011.03	25.08 18.74	88,800,000	888,000,000	58,585,649	585,856,490	Capital increase from employee stock options NT\$3,255,000	None	Note 12
2011.05	25.08 18.74	88,800,000	888,000,000	58,725,649	587,256,490	Capital increase from employee stock options NT\$1,400,000	None	Note 13
2011.08	25.08 18.74	88,800,000	888,000,000	59,390,649	593,906,490	Capital increase from employee stock options NT\$6,650,000	None	Note 14
2011.08	10	88,800,000	888,000,000	68,999,845	689,998,450	Capital increase from retained earnings NT\$96,091,960	None	Note 15
2011.11	21.17 15.84	88,800,000	888,000,000	69,243,845	692,438,450	Capital increase from employee stock options NT\$2,440,000	None	Note 16
2012.04	21.17 15.84	88,800,000	888,000,000	69,367,845	693,678,450	Capital increase from employee stock options NT\$1,240,000	None	Note 17
2012.05	21.17 15.84	88,800,000	888,000,000	70,101,345	701,013,450	Capital increase from employee stock options NT\$7,335,000	None	Note 18
2012.05	10	88,800,000	888,000,000	69,995,345	699,953,450	Cancellation of treasury stocks (NT\$1,060,000)	None	Note 18
2012.07	21.17 15.84	88,800,000	888,000,000	70,850,345	708,503,450	Capital increase from employee stock options NT\$8,550,000	None	Note 19
2012.08	10	88,800,000	888,000,000	81,911,787	819,117,870	Capital increase from retained	None	Note 20

Month/ Year	Issue price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		No. of Shares	Amount	No. of Shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Others
						earnings NT\$110,614,420		
2012.11	17.90 13.41	88,800,000	888,000,000	82,130,787	821,307,870	Capital increase from employee stock options NT\$2,190,000	None	Note 21
2013.01	13.41	88,800,000	888,000,000	82,244,787	822,447,870	Capital increase from employee stock options NT\$1,140,000	None	Note 22
2014.08	10	88,800,000	888,000,000	86,816,764	868,167,640	Capital increase from retained earnings NT\$45,719,770	None	Note 23
2015.09	10	150,000,000	1,500,000,000	92,854,871	928,548,710	Capital increase from retained earnings NT\$60,381,070	None	Note 24
2015.10	358	150,000,000	1,500,000,000	99,854,871	998,548,710	Capital increase by cash NT\$70,000,000	None	Note 25
2016.09	10	150,000,000	1,500,000,000	110,316,078	1,103,160,780	Capital increase from retained earnings NT\$104,612,070	None	Note 26
2017.08	10	150,000,000	1,500,000,000	117,159,446	1,171,594,460	Capital increase from retained earnings NT\$68,433,680	None	Note 27
2020.11	10	150,000,000	1,500,000,000	118,259,446	1,182,594,460	Restricted stock for employees NT\$11,000,000	None	Note 28
2021.10	10	200,000,000	2,000,000,000	127,635,909	1,276,359,090	Common stock in private placements NT\$93,764,630	None	Note 29
2021.11	10	200,000,000	2,000,000,000	127,415,909	1,274,159,090	Cancellation of restricted stock for employees NT\$2,200,000	None	Note 30
2022.03	10	200,000,000	2,000,000,000	128,513,945	1,285,139,450	Corporate Bond Shares Conversion NT\$10,980,360	None	Note 31

Month/ Year	Issue price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		No. of Shares	Amount	No. of Shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Others
2022.11	10	200,000,000	2,000,000,000	128,162,945	1,281,629,450	Cancellation of restricted stock for employees NT\$3,510,000	None	Note 32
2023.08	40.1	200,000,000	2,000,000,000	144,162,945	1,441,629,450	Capital increase by cash NT\$160,000,000	None	Note 33
2023.12	10	200,000,000	2,000,000,000	143,952,945	1,439,529,450	Corporate Bond Shares Conversion NT\$2,100,000	None	Note 34
2025.02	40	250,000,000	2,500,000,000	205,647,065	2,056,470,650	Common stock in private placements NT\$616,941,200	None	Note 35

Note 1. Jian Yi Zi No. 87309687 dated July 14, 1998

Note 3. Jian Yi Zi No. 88288232 dated May 5, 1999

Note 5. Jing (88) Shang Zi No. 088146765 dated December 29, 1999

Note 7. Jin Guan Zheng Yi Zi No. 0930133564 dated July 29, 2004

Note 9. Jing Shou Shang Zi No. 09401260560 dated December 19, 2005

Note 11. Jing Shou Shang Zi No. 09901184620 dated August 16, 2010

Note 13. Jing Shou Shang Zi No.10001093420 dated May 9, 2011

Note 15. Jing Shou Shang Zi No. 10001183340 dated August 17, 2011

Note 17. Jing Shou Shang Zi No. 10101063700 dated April 11, 2012

Note 19. Jing Shou Shang Zi No. 10101135210 dated July 9, 2012

Note 21. Jing Shou Shang Zi No. 10101234640 dated November 12, 2012

Note 23. Jing Shou Shang Zi No. 10301176990 dated August 27, 2014

Note 25. Jing Shou Shang Zi No.10401223550 dated October 26, 2015

Note 27. Jing Shou Shang Zi No. 10601115250 dated August 17, 2017

Note 2. Jian Yi Zi No. 87364033 dated December 29, 1998

Note 4. Jing (88) Shang Zi No. 088126140 dated July 23, 1999

Note 6. (89) Tai Cai Zheng (1) No. 46470 dated May 29, 2000

Note 8. Jin Guan Zheng Yi Zi No. 0940130243 dated July 26, 2005

Note 10. Jin Guan Zheng Yi Zi No. 0950135382 dated August 10, 2006

Note 12. Jing Shou Shang Zi No. 10001053410 dated March 21, 2011

Note 14. Jing Shou Shang Zi No. 10001189820 dated August 16, 2011

Note 16. Jing Shou Shang Zi No. 10001255000 dated November 7, 2011

Note 18. Jing Shou Shang Zi No. 10101093660 dated May 23, 2012

Note 20. Jing Shou Shang Zi No. 10101167670 dated August 14, 2012

Note 22. Jing Shou Shang Zi No. 10101267470 dated January 2, 2013

Note 24. Jing Shou Shang Zi No. 10401192830 dated September 14, 2015

Note 26. Jing Shou Shang Zi No. 10501211460 dated September 2, 2016

Note 28. Jing Shou Shang Zi No.10901211000 dated November 18, 2020

Note 29. Jing Shou Shang Zi No. 11001192140
dated October 26, 2021

Note 31. Jing Shou Shang Zi No.11101042590
dated March 22, 2022

Note 33. Jing Shou Shang Zi No. 11230165930
dated August 29, 2023

Note 35. Jing Shou Shang Zi No. 11430015080
dated February 17, 2025

Note 30. Jing Shou Shang Zi No.11001211910
dated November 23, 2021

Note 32. Jing Shou Shang Zi No.11101220470
dated November 24, 2022

Note 34. Jing Shou Shang Zi No. 11230229020
dated December 11, 2023

As of April 30, 2025 / Unit: Shares

Types of Shares	Authorized Capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Registered common shares	205,647,065	44,352,935	250,000,000	OTC stock

- (2) List of major shareholders: Names, number of shares held, and the shareholding percentage of those who own 5% or more of the total issued shares or whose shareholding percentage is among the top 10 of all the shareholders.

As of April 27, 2025

Name of Major Shareholders	Shareholding (shares)	Shareholding Percentage (%)
Uni-President Enterprises Corp.	61,694,120	30.00
Site Inc.	18,907,864	9.19
Standard Chartered Bank International Business Department Trustee of Royal Bank Lee (Singapore) Limited Investment Account	5,617,655	2.73
Iming Chou	4,327,880	2.10
Hung-Tze Jan	2,880,746	1.40
Apu Jan	2,627,505	1.28
Zhi-long Lin	2,390,000	1.16
CDIB Venture Capital Corporation.	1,875,293	0.91
Chunghwa Investment Co., Ltd.	1,875,293	0.91
Huang, Kuan-Dan	1,840,000	0.89

- (3) Dividend policy and implementations:

① Dividend policy as per the Articles of Incorporation

Profits for the year, if any, shall be used to pay all taxes in accordance with laws and regulations and to offset prior years' losses. 10% of the remaining balance thereafter shall be kept as legal reserve. If requested by the competent authority, a special reserve shall be made or reversed pursuant to Article 41 of the Securities and Exchange Act. Next, the remaining balance plus undistributed earnings from previous years, except for retained earnings, shall be allocated as follows:

The Company adopts the residual dividend policy. Capital expenditures estimated in the capital budget are financed by available earnings. The remaining earnings can then be used to pay dividends to shareholders in the form of stock or cash. However, the stock dividends distributed shall not exceed 80 percent of the total dividends. The amount, types and proportions of dividends to be paid shall be approved by the Board of Directors and be submitted to the shareholders' meeting for a resolution.

Although the Company's Articles of Incorporation do not stipulate a fixed dividend distribution ratio, the Company will, based on its actual profitability for the year, capital expenditure plans, and overall liquidity, make appropriate adjustments to its dividend distribution policy and ratio. In principle, the Company conducts earnings distribution prudently and responsibly toward shareholders, striving to balance long-term corporate development with the protection of shareholders' interests.

② Dividend distribution proposal during the most recent shareholders' meeting

The earnings distribution proposal for fiscal year 2024 (Year 113) was proposed by the Board of Directors on March 25, 2025 (Year 114), with no dividend to be distributed. This proposal will be submitted to the 2025 (Year 114) Annual General Meeting of Shareholders for approval and will be processed in accordance with relevant regulations upon resolution.

③ Expecting any major change in dividend policy: None

(4) Impact of stock dividends on operation performance and earnings per share:

Not applicable. (The Company did not prepare financial forecasts).

(5) Remuneration of employees and directors

① Percentage or range of remuneration to employees, Directors and Supervisors in the Articles of Incorporation.

If the Company generates profits in a given fiscal year, the following proportions shall be allocated for directors' and employees' remuneration:

- (i) Directors' remuneration shall not exceed 1.5% of the profit.
- (ii) Employees' remuneration shall range from 1% to 15% of the profit.

However, if the Company has accumulated losses, an amount sufficient to cover such losses shall be reserved in advance. The recipients of employees' remuneration may include employees of the Company's subsidiaries or

affiliates, provided they meet the criteria established by the Board of Directors or its authorized designee.

- ② The estimation basis of remuneration to employees, Directors and Supervisors, calculation basis for number of shares distributed as employee remuneration, and accounting treatments for difference between estimated and actual payment amount

The accrual of employee and director remuneration by the Company is based on relevant laws and regulations, the Company's Articles of Incorporation, and historical distribution experience, serving as a reasonable basis for estimation. Such amounts are recognized as expenses in the annual financial statements.

If there is any difference between the actual amounts distributed in the future and the amounts previously accrued in the financial statements, such differences will be accounted for as changes in accounting estimates and adjusted in the following year's profit or loss in accordance with applicable financial reporting standards.

- ③ Proposed remuneration approved by the Board of Directors
- (i) Amounts of employee and director remuneration distributed in cash or shares. If there is any difference from the amount expensed in the financial statements of the corresponding year, such difference, its reason, and how it was handled shall be disclosed:
 - (ii) The amount of employee remuneration distributed in shares, and its proportion to the sum of profit after tax and total employee remuneration as shown in the standalone or individual financial statements for the period:

No employee remuneration was distributed in the form of shares.

- ④ Actual payment of remuneration to employees, Directors and Supervisors in the previous year (including the number of shares, amount and stock price), and if it is different from the amount of remuneration recognized, the differences, causes, and ways of reconciliation shall be disclosed:

The Company did not distribute any earnings in fiscal year 2023.

(6) Share repurchases(completed): None

2 Corporate bonds (including overseas corporate bonds): None

3 Preferred Share: None.

4 Participation in Global Depository Receipts: None.

- 5 Employee stock options: None.
- 6 Employee Restricted Stock: None.
- 7 Status of New Share Issuance in Connection with Mergers and Acquisitions: None.
- 8 Implementation of Capital Utilization Plan

The Company's private placement of marketable securities for the FY 2024 and as of the last quarter prior to the annual report publish date are listed here, where the analysis of the program content and the evaluation of its implementation benefits are summarized as follows:

Item	First private placement in 2025 Issuance date: January 9, 2025
Categories of private placement of securities	Common stock
Date and amount approved at shareholders' meeting	At the extraordinary shareholders' meeting on December 19, 2024, the Company approved a private placement of up to a total of 61,694,120 shares in one or more installments within one year from the date of the shareholders' resolution. 61,694,120 shares are issued for the fundraising at this time.
Issuance amount at this time and the date the share payments has been made in full	The Company issued 61,694,120 shares and received the share payments of NT\$ 2,467,764,800 in full on January 22, 2025.
Actual subscription price	NT\$ 40 per share
Status of utilization of the funds, plan implementation progress	Enhancing working capital and Company's business development.
Expected benefits	This private placement is expected to strengthen the Company's competitiveness and enhance operational efficiency, which should have a positive impact on shareholders' interests.

Chapter 4. Operational Highlights

1. Business Activities

(1) Business scope

① Main business

The Company's core business activities include e-commerce, financial technology (FinTech), and digital empowerment services, all under the broader scope of internet-based services. A detailed overview is provided in the chart below.



② Product as a percentage to sales

Unit: NT\$ 1,000

Product\Year	2024	Weighting (%)
E-Commerce	35,707,203	95.1%
Others	1,855,845	4.9%
Total	37,563,048	100.0%

③ Current products (services)

PChome Online Inc. is an integrated network service provider group, with business scopes covering e-commerce, fintech, empowerment services, and portal websites. Our core services include the B2C online shopping platform- PChome 24h Shopping, the C2C marketplace-Ruten Auction, and the cross-border e-commerce platform- Bibian. In the fintech domain, we offer mobile payment- Pi Wallet, installment payment tools- GoGoPay and PAYLATER, a comprehensive payment service platform- Tappay, and online insurance- e-Insure. Besides, we also own a logistics fleet, PChome Express, and have expanded into 3PL services, providing empowerment services for the e-commerce industry.

④ New products or services scheduled to be developed

The Company always starts from understanding consumer needs and has been deeply involved in the e-commerce industry. In addition to the dedicated efforts of the marketing, service development, and product departments, the technical

department, with its strong development capabilities and proactive attitude, actively develops and plans innovative programs, systems, and functions to continuously optimize and create services and technologies suitable for consumers. This makes the consumer experience more diverse and complete, shaping the Company's mission and goals, and continuously providing consumers with new content, products, and experiences to ensure the best service quality.

- (i) A precise and personalized webpage search system to enhance the accuracy of the search engine within the website, making search results more accurate and closer to the needs of consumers. By starting from the perspective of consumer needs and personalization, and providing consumers with precise and personalized optimal product combinations, it can increase purchase intent, effectively reduce experience breakpoints in the shopping process, and successfully achieve sales conversion.
- (ii) Optimizing webpage loading efficiency to enhance the online shopping experience. The Company continued to optimize webpage loading performance and the online shopping process to reduce excessive loading times and resource wastage, thereby making webpages run faster and significantly improving overall response time. By enhancing webpage performance and increasing reliability, the Company aims to create a fast, convenient, and trustworthy browsing and digital experience, which help increase website effectiveness.
- (iii) In recent years, the frequent occurrence of personal data breaches has led to a rise in related fraud cases, drawing significant public concern. As a result, both the government and companies have started placing greater emphasis on personal data protection and have implemented multiple measures. In response to the need for better protection of customer data, the Company has proactively explored various approaches to rapidly, securely, and conveniently strengthen cybersecurity technologies in a short period of time to prevent the leakage of personal phone numbers.
- (iv) Flexible point-based payment applications and fintech services, expanding the scope of cooperation. Point-based payment applications and fintech services have significant growth potential and are continuing to expand. The Company has been deepening its presence in the point ecosystem and developing fintech services. By investing resources independently and

cooperating with other brands and service providers, the Company is expanding consumer options for point redemption and enhancing the value of points to capture broader market opportunities.

- (v) In response to market trends and aligned with the Company's operational planning and future business goals, the Company not only formulates various R&D projects and encourages employee innovation but also continuously evaluates the possibility of applying for patents to protect technologies actually used in services. This ensures the proper protection of R&D results, further consolidates its intellectual assets, and strengthens the Company's competitiveness by enhancing the value of its intangible assets.

(2) Industry overview

① Industry current status and developments

The following section illustrates the current status and development of the Group's core business, e-commerce market.

(i) Taiwan retail and e-commerce industry analysis

- (a) In 2024, e-commerce has become Taiwan's largest comprehensive retail channel

According to the Mirai Business Research Institute, Taiwan's e-commerce market entered a phase of rapid growth in 2025 (Year 114). In 2021 (Year 110), the industry further capitalized on the digital consumption boom driven by the pandemic, achieving a record annual growth rate of 26.6%, which propelled the total market size beyond NT\$400 billion for the first time. This allowed e-commerce to surpass department stores and convenience stores, officially becoming the largest retail channel in Taiwan by market scale.

Although the industry faced a slowdown in growth momentum in 2023 (Year 112) after the pandemic, it is estimated that in 2024 (Year 113), the e-commerce sector will still grow by 4.6%, with the total market size expected to reach a new record of NT\$473.8 billion.

- (b) In 2024, Taiwan's e-commerce is expected to account for 13.6% of total retail sales.

According to observations by the Mirai Business Research Institute, the growth of Taiwan's e-commerce market has slowed since 2023 (Year 112), as post-pandemic consumer behavior shifted back toward physical retail channels. This trend aligns with global developments, as the industry returns to a long-term growth trajectory.

The e-commerce penetration rate in Taiwan is estimated to reach 13.6% in 2024 (Year 113), representing only a modest increase of 0.1 percentage point compared to the previous year. In contrast, the global e-commerce penetration rate for the same period is estimated at 20.1%, highlighting a gap of approximately 6.5 percentage points. This indicates that Taiwan's retail sector still holds significant potential for further growth in online sales.

- (c) Over 65% of consumers in Taiwan participate in e-commerce shopping festivals in 2024, followed by holiday events

According to a survey by the Market Intelligence & Consulting Institute, Institute for Information Industry, approximately 65% of Taiwanese consumers frequently shop during e-commerce shopping festivals, followed by holiday events, with a difference of 37.1% between the two. E-commerce shopping festivals are not only the top choice for consumer spending but also the fastest-growing type of shopping event in 2024, with a 4.2% increase compared to 2023. Among these, Double 11 is the most popular e-commerce shopping festival, with a participation rate of 94.8% in 2024, a 9.9% increase from 2023. In comparison, the second-ranked Double 12 has a 62.5% lower participation rate.

- (ii) Analysis of e-commerce penetration rates in major global markets
 - (a) Global e-commerce penetration rates continue to rise steadily

According to observations by the Mirai Business Research Institute, between 2017 and 2027, the global B2C e-commerce market has shown consistent growth in both scale and penetration rates. In 2023, global retail e-commerce sales reached US\$5.8 trillion, marking a 71.2% increase from the pre-pandemic figure of US\$3.4 trillion in 2019. During the same period, e-commerce penetration rose from 13.9% to 19.4%, an increase of 5.5%. Projections for 2024 estimate sales will further grow by 8.8% from 2023 to US\$6.3 trillion, with penetration rates increasing by

0.7% to 20.1%. With the market size continuing to expand, it is anticipated that by 2027, global B2C e-commerce sales will reach US\$8 trillion, reflecting a compound annual growth rate of approximately 8.1% from 2023 to 2027. E-commerce penetration is expected to climb steadily at an average annual rate of about 0.8%.

(b) China, the United Kingdom, and South Korea lead global e-commerce penetration rates, exceeding 25%. The Mirai Business Research Institute's 2024 business data visualization study indicates that among major economies, China, the United Kingdom, and South Korea continue to lead in e-commerce penetration rates. In 2023, these countries achieved penetration rates of approximately 28%, 27%, and 25.5%, respectively, maintaining their positions as the top three globally. The U.S. ranked No. 4 with a performance of about 15.5%, while e-commerce penetration rates in most other countries generally ranged from 5% to 10%.

② Correlation between upstream, midstream, and downstream of the industrial chain

The procedures of the Company's main business, e-commerce, and its relationship with midstream and downstream are shown in the figure below:



③ Product development trends and competition status

(i) Product development trends

The Group focuses on e-commerce and fintech as its core business operations, and the following are the key development areas in 2024:

(a) Domestic e-commerce

Adhering to its core value of "customer-first," PChome continued to promote "meaningful changes," bringing actual innovation to consumers, suppliers, and partners. The Group's B2C e-commerce business focused on enhancing the core service value of 3C appliances and strengthening the breadth and completeness of general merchandise categories, while also deepening member engagement and platform differentiation through cross-industry alliances and the launch of innovative OMO services, actively reshaping our brand image and integrating into consumers' daily lives.

Currently, PChome 24h Shopping is not only the sole authorized distributor of the entire Apple product line among Taiwanese e-commerce platforms and the preferred launch platform for major 3C brand new products but also continues to collaborate with well-known manufacturers to establish official flagship stores. This year, we exclusively launched the "Pokémon Store," an official online flagship store for Pokémon, and partnered with the Asian multinational crowdfunding platform MYFEEL to create a flagship store for crowdfunding.

In terms of enhancing platform service capabilities, following the introduction of the industry's first "Onsite Installation Service Center" and "Extended Warranty Service for Large Domestic Appliances" in 2023, this year saw the launch of "Rapid Installation for Large Domestic Appliances" and "Laptop Extended Warranty Service." Additionally, the original "Trade-in for Phones" service was upgraded to a "3C Trade-in Service" service, providing more comprehensive and improved pre-sale and after-sale value-added services.

Meanwhile, a comprehensive overhaul and optimization of both the mobile app and web versions were carried out, focusing on enhancing the end-to-end shopping experience from browsing, searching, selecting, to checkout. Several new features were introduced, including the newly

launched "image search" and "intelligent customer service," further improving consumer convenience and service quality.

(b) Cross-border e-commerce

In recent years, overseas cross-border shopping has become an integral part of daily consumption habits for consumers in Taiwan, with market demand and scale continuing to rise. Bibian, the Group's only platform dedicated to Japanese cross-border proxy bidding and purchasing, has demonstrated steady growth in both business scale and profitability. Since its official launch in October 2019, Bibian has upheld its core value of "Zero Risk with Five Shopping Guarantees," including: the industry's lowest air freight rates, automatic air shipping of eligible items back to Taiwan without the need for consolidated shipping, customs clearance handled on behalf of the customer, full compensation for damaged or undelivered items, and a transparent pricing structure. All aimed at providing a secure and worry-free cross-border shopping experience.

In June 2024, Bibian launched a new and exclusive partnership with FamilyMart, setting up the "Bibian Japanese Goods Zone" within FamilyMart's membership app. Leveraging the app's over ten million downloads, the 24-hour convenience store model, and a network of over 4,200 physical stores, this unprecedented cross-border shopping service via convenience stores successfully reached new customer segments, driving a 1.35-fold increase in Bibian's total membership. Later in September, Bibian partnered with Rakuten Rakuma, the secondhand goods platform under Japan's Rakuten Group, to upgrade the Bibian Japanese Goods Zone with a wider selection of premium secondhand items, bringing Taiwanese consumers a more diverse and convenient cross-border shopping experience.

(c) Fintech

In recent years, the Group has actively expanded its fintech business. The current services include mobile payment through Pi Wallet, installment payment tools such as GoGoPay and PAYLATER, a comprehensive payment service platform, Tappay, and online insurance, e-Insure. Under a strategic alliance structure, the Group integrates cross-

industry resources and core service advantages to offer diverse digital financial services and continue driving the innovation and development of fintech in Taiwan.

The fintech subsidiary, 21st Financial Technology Co., Ltd., has disrupted traditional consumption models since launching the industry's first iPhone Subscription Plan in 2022, and has continued to expand the subscription economy. In 2023, 21st FinTech partnered with ASUS to introduce a Laptop Subscription Plan, and collaborated with Chunghwa Telecom to become the first telecom operator in Taiwan to offer the "iPhone for Life" subscription service, setting a new industry benchmark. In 2024, 21st FinTech expanded its partnerships further, teaming up with GIANT to launch the market's first "Bicycle Subscription Plan" and again partnering with Data Express to roll out the "iPhone Subscription Plan." These initiatives have broadened the range of subscription-based products to meet diverse consumer needs. Overall, the fintech business has demonstrated robust growth and profitability, and will continue to scale up applications in innovative payments and the subscription economy to enhance the consumer experience.

(ii) Competitions

(a) Taiwan retail and e-commerce industry analysis

According to 2024 H2 Shopping Season Comprehensive E-commerce Traffic analysis released by the Mirai Business Research Institute, following the traffic surge brought about by the pandemic, Taiwan's major e-commerce platforms experienced a significant decline in traffic during 2023 and the first half of 2024. This led the e-commerce industry to face the lowest growth rates in the historical records. However, in the second half of 2024, the industry began to recover, with some large comprehensive e-commerce platforms, physical retailers, and cross-border e-commerce platforms seeing a notable rebound in traffic. Monthly traffic metrics reveal a widening gap among Taiwan's major e-commerce platforms. The top six comprehensive e-commerce platforms have all surpassed ten million monthly visits, while platforms ranked seventh to twelfth have seen their monthly traffic drop to the million-visit range. This indicates a clear trend toward traffic concentration among larger platforms.

The survey also indicates that B2C e-commerce operations of physical retail enterprises have become a significant component of Taiwan's overall online sales industry, with traffic growth rates exceeding the industry average. Platforms such as Costco Online Shopping, UNIQLO/GU Online Stores, Eslite Online, Carrefour Online Shopping, Watsons Online Store, IKEA Online Shopping, and Test Rite Retail Online Shopping all reached new traffic highs in the fourth quarter of 2024. This demonstrates that major physical retailers in Taiwan are accelerating their transformation toward e-commerce in the post-pandemic era.

Moreover, the rapid development of cross-border logistics, consolidation, purchasing services, and multilingual websites has significantly improved the convenience of cross-border online shopping in recent years. Taiwanese consumers are becoming increasingly familiar with and inclined toward purchasing overseas products through online channels. As a result, cross-border direct purchasing has become an important segment of Taiwan's e-commerce market, gradually capturing a share of local e-commerce traffic and total online consumption.

(b) Fintech

Driven by the rapid adoption of diverse payment solutions such as credit cards, stored-value cards, and electronic payments, non-cash transactions now account for over 60% of Taiwan's private consumption. In 2024 (Year 113), the Financial Supervisory Commission (FSC) announced its three-year targets for non-cash payments: by 2026 (Year 115), the total number of non-cash transactions is expected to reach 8 billion, with a total transaction value of NT\$10 trillion.

Compared to the 2023 (Year 112) baseline - 6.91 billion transactions and NT\$7.3 trillion in transaction value - the targets imply required growth rates of 15.8% and 37.0%, respectively.

In response to this enormous market potential, not only financial institutions but also retail e-commerce conglomerates, telecommunications, gaming, and social media companies, and transportation ticketing operators have actively entered the payment space in recent years. Leveraging their physical retail locations and

membership ecosystems, these players are transforming digital finance into the next critical battleground in the retail and distribution industries.

(3) Technology and R&D overview

① Technical level and research and development

Having been deeply engaged in the field of e-commerce industry for many years, PChome has a sound R&D team. The R&D and design of all innovative programs are developed by the Company's technical department and designed by in-house engineers. The R&D team receives regular training to improve the overall professional quality in order to respond to the rapidly changing e-commerce market and make the most forward-looking services and products. The R&D achievements concentrate on online shopping process systems in connection with Internet services, front-end systems for Internet services, and back-end administrative systems. In contrast to other domestic websites who purchase most of the software systems required from overseas vendors or obtain their licenses, the Company's engineers develop most of our Internet service-related systems, including the integration of supplier development and management, product information management, payment flow/logistics and customer service, logistics and warehousing systems, big data applications and customer cross-selling, etc. Most of the required operating systems and user interfaces are developed and designed by internal engineers. In order to integrate the e-commerce industry chain and take a step further to establish an ecosystem, the Group has recently been actively integrating various service advantages, deeply applying big data, artificial intelligence and the Internet of Things and other forward-looking technologies, focusing on service innovation, creating cross-domain integrated services, enhancing the Group's operation performance. Some of the systems among the R&D projects have obtained patents or are in the process of submitting patent applications. The R&D expense in 2024 amounted to NT\$530,136 thousand.

② R&D expenses invested in the latest year and as of the publication of the annual report amounted to NT\$530,136 thousand and 128,171 thousand.

③ Technologies or products successfully developed in the most recent year

up to the date of publication of this annual report

The Company has focused on the development of various systems in recent years. The technologies and systems scheduled to be developed in recent years are as follows:

Supplier advertising system	<p>This project aims to develop an on-site advertising system for the Retail Media Network (RMN), enabling suppliers to place product advertisements based on specific ad placements and search keywords to enhance visibility and conversion rates.</p> <p>The system leverages the e-commerce platform's traffic and consumer behavior data to allow ads to more accurately reach target audiences, thereby helping suppliers improve product competitiveness more effectively.</p> <p>At the same time, by optimizing on-site advertising, the platform can further increase ad monetization capabilities and build a more robust e-commerce ecosystem-creating a win-win advertising mechanism for both suppliers and consumers.</p>
Intelligent conversational customer service	<p>This project utilizes Q&A records from the internal customer service knowledge management system to train a large language model (LLM), and develops a web-based interface that enables consumers to interact directly with AI for real-time responses.</p> <p>The system will be integrated with users' order information, including logistics status, payment status, and promotional point rewards, allowing consumers to check order progress and handle after-sales inquiries through conversational AI, without having to wait for human customer service.</p> <p>This solution significantly improves service efficiency by reducing response time and easing the workload of customer service agents, ultimately enhancing the overall consumer experience.</p>
AI auto-labeling system for	This R&D project leverages AI technology to

product classification and attribute	<p>automatically identify product categories, attributes, and specifications, significantly reducing the need for manual data entry. By analyzing user behavior data—such as browsing and purchase history—the system can also determine user preferences for attributes like brand and color, enabling more effective audience segmentation and personalized marketing.</p> <p>The team has optimized an open-source model to perform inference within 50 milliseconds on CPU, eliminating reliance on GPUs and greatly improving efficiency. A classification and attribute suggestion feature has already been integrated into the product listing system, allowing sellers to automatically extract brand, size, material, and other specifications by simply pasting in product descriptions.</p> <p>Big data tools are used to quickly build marketing audiences, and personalized outreach is conducted through various communication channels.</p> <p>Expected benefits include:</p> <p>10% reduction in manual listing time, 10% improvement in search recall and recommendation accuracy, 50% reduction in computing costs and processing time.</p>
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First-party server-side user behavior tracking and personalized remarketing module	<p>This project is designed to address growing concerns over privacy in the digital advertising market and to overcome challenges associated with the deprecation of third-party cookies, such as behavioral tracking and remarketing limitations.</p> <p>By utilizing first-party, server-side data collection and processing technologies, the project aims to develop a privacy-compliant user behavior tracking module while reducing reliance on third-party tools. In response to the distributed architecture and massive data volumes of large-scale e-commerce platforms, the project also develops real-time data integration and computation mechanisms to improve decision-making efficiency.</p> <p>The key outcomes of the project include:</p> <p>the establishment of a first-party customer behavior tracking platform, the launch of personalized remarketing campaigns, and the development of a data attribution and analytics system to enhance marketing precision and business performance.</p> <p>This solution enables businesses to lower advertising costs, increase conversion rates, and deliver privacy-compliant, high-efficiency marketing solutions-all while safeguarding personal data.</p>
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Rapid installation service for large domestic appliances	<p>This project is dedicated to strengthening PChome's core value proposition in the 3C (computer, communication, and consumer electronics) segment by launching a "Large Appliance Express Installation" service. This offering enables customers purchasing refrigerators, televisions, or washing machines to enjoy next-day delivery and installation.</p> <p>For designated areas such as Taipei, New Taipei, and Taoyuan, the system utilizes algorithms to instantly assess product type, inventory availability, delivery coverage, and logistics capacity to ensure that qualifying orders are routed to fast-installation warehouses and dispatched to logistics providers without delay.</p>
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In order to encourage our employees' creation and invention, secure their technical innovations and fulfill the intellectual property management, the Company continuously evaluates the possibility of applying for patents for technical creation and invention, and regularly maintains the validity of the acquired patents. The following table shows the patent applications approved (1 in total) in 2024:

Category	Patent certificate number	Name	Patent term	Patent abstract
Invents	I858419	Product search system and method for displaying related advertisements	October 11, 2024 – October 26, 2042	The present invention relates to a product search system and a method for displaying associated advertisements. The method for displaying associated advertisements is applicable to an e-commerce platform system host, which is electronically connected to a user computer.

Category	Patent certificate number	Name	Patent term	Patent abstract
				The method includes the following steps: Receiving a search query input from the user computer; Generating a plurality of suggested items corresponding to the search query, wherein at least one of the suggested items is accompanied by an associated advertisement; and Outputting a recommendation interface that includes the plurality of suggested items and associated advertisements.

(4) Long-term and short-term business development plans

① Short-term business development plans

(i) Optimizing Stakeholder Experience to Elevate Platform Competitiveness and Differentiation

In terms of user experience, improvements made over the past few quarters in webpage redesign and mobile shopping enhancements have begun to show positive results. Looking ahead, we will continue to optimize features on both the App and website, including enhancements to the internal search engine and the introduction of intelligent customer support systems. These efforts aim to deliver a high-quality shopping experience and strengthen member loyalty.

For our suppliers, we are focused on improving the backend system to streamline product listing and promotional campaign setup processes. We are also collaborating closely with brand partners to launch exclusive and customized products, reinforcing strategic partnerships to drive both sales performance and operational efficiency.

PChome 24h Shopping will continue to offer a wide range of high-quality product selections that integrate seamlessly into consumers' daily lives. In addition to optimizing user interfaces and expanding product offerings, we remain committed to service innovation as a key differentiator. In 2024, we introduced services such as expedited installation for large home appliances and trade-in programs for laptops, providing consumers with greater convenience, security, and assurance.

Furthermore, through cross-industry collaborations, we aim to amplify marketing leverage and accelerate membership growth, ultimately contributing to revenue expansion.

(ii) Enhancing operational efficiency through technological, digital, and data-driven workflows

In addition to consumer and supplier-facing interfaces and systems, PChome Online's engineering team continues to refine internal systems. In response to daily operational needs and feedback from colleagues, the engineering team is designing more automated and user-friendly functions to reduce repetitive tasks, improve staff efficiency and productivity, and effectively minimize errors, thereby increasing the accuracy of operational processes. By implementing and utilizing tools such as AI, PChome Online will further enhance operational efficiency, ensuring smoother daily operations. PChome Online will persist in optimizing internal workflows and methodologies to improve day-to-day operational efficiency, allowing staff to concentrate on core tasks and support the Company's growth and innovation in the rapidly evolving e-commerce market.

(iii) Building a highly efficient logistics system to provide consumers with more flexible delivery options

The Chunghwa Post Logistics Park Distribution Center, located near the Taoyuan Airport MRT A7 Station and just a 30-minute drive from both Taipei City and Taoyuan International Airport, officially commenced operations in the first quarter of 2023. By the end of 2024, it was already handling approximately 70% of all PChome 24h Shopping orders.

Following the activation of the Linkou A7 Smart Logistics Park, PChome has optimized warehouse operations through active warehouse consolidation, significantly improving the utilization and efficiency of the A7 facility. In addition to enhancing internal warehousing capabilities, the Company has leveraged its in-house logistics infrastructure to expand into third-party warehousing services, thereby creating diversified revenue streams.

Beyond its in-house delivery fleet and express delivery services, PChome also aims to deepen partnerships with external logistics providers. By expanding logistics options beyond traditional home delivery, the Company seeks to offer consumers more flexible and lifestyle-compatible delivery choices, ultimately improving the overall convenience and satisfaction of shopping on the PChome 24h platform.

② Long-term business development plans

(i) Diverse Talent Development for a Sustainable and Inclusive Future

PChome Online firmly believes that a diverse talent pool and experienced teams are key competitive advantages in a rapidly changing market. PChome Online is committed to cultivating e-commerce management talent by enhancing organizational effectiveness through professional training and career planning. Meanwhile, PChome Online actively expands diverse recruitment channels to attract passionate, professional, and innovative new talent. Through talent reserves and project management systems, PChome Online aims to unlock employee potential and improve organizational performance, thereby driving continued excellence in the e-commerce sector.

(ii) Integrating subsidiary resources to maximize synergies and sustain profit contribution

As a comprehensive internet service group, PChome not only provides e-commerce services but also operates across multiple business domains, including FinTech, cross-border e-commerce, logistics, and other diversified services. In recent years, the Company has achieved positive results from acquisitions and business integration efforts. Notably, the FinTech division turned profitable in 2022, contributing to the Group's earnings for the first time. In 2023, the marketplace business also delivered improved profitability through organizational restructuring and business realignment.

PChome will continue to integrate group-wide resources, consolidate cross-platform traffic, and expand customer acquisition channels. The Company aims to enhance operational efficiency and maximize vertical synergies across its business units. By combining domain-specific expertise, PChome will continue to launch innovative services that contribute to the growth and development of the broader industry.

(iii) Strengthening ESG Commitment Through Continuous Policy Enhancements and Sustainable Practices

In 2022, PChome Online formally established a Sustainability Development Committee and the ESG Executive Group to actively align with the United Nations' Sustainable Development Goals (SDGs). As one of the leading e-commerce platforms in Taiwan, PChome Online has set up an example by promoting reduced packaging for online shopping. Leveraging its significant online traffic, PChome Online created the "PChome love charity platform" public welfare platform, aggregating donation information from various charities to encourage public participation and bring meaningful changes to the society. PChome Online aspires to use the influence of its e-commerce platform not only to meet consumer needs but also to unite internal and external forces in building a better society.

2. Market and Sales Overview

(1) Market analysis

① Regions where main products (services) are sold (provided)

Sales are predominantly generated from the domestic market, with minimal contribution from exports.

Unit: NT\$ 1,000

Year Region	2024		2023	
	Sales Amount	Percentage (%)	Sales Amount	Percentage (%)
Domestic sales	37,560,472	99.99	41,281,960	99.99
Overseas sales	2,576	0.01	4,496	0.01
Total	37,563,048	100.00	41,286,456	100.00

② Future Supply and Demand Conditions and Market Growth Potential

(i) Global e-commerce market

According to market research firm eMarketer, global e-commerce sales are projected to grow from USD 6.3 trillion in 2024 to USD 7.9 trillion by 2027. This represents a compound annual growth rate (CAGR) of 7.8% from 2024 to 2027, with e-commerce expected to account for over 22% of total retail sales by then.

However, compared to the double-digit growth experienced between 2020 and 2021, the pace of natural growth in the global e-commerce market has slowed since 2022. Even excluding categories such as travel and event tickets, bill payments and taxes, money transfers, food and beverage, and online gambling, the momentum of market growth remains lower than the explosive expansion observed during the pandemic.

An analysis of the top five global e-commerce markets in 2023, based on official country data and converted to USD, reveals the following sales volumes and year-over-year growth rates:

- China: USD 2.2 trillion (11.0%) ;
- United States: USD 1.1 trillion (7.4%) ;

- United Kingdom: USD 201 billion (3.8%) ;
- South Korea: USD 165 billion (8.3%) ;
- Japan: USD 157 billion (5.6%) ;

Among these, only China maintained double-digit growth, while other major markets saw single-digit increases. Ranked by growth rate from highest to lowest: China, South Korea, the United States, Japan, and the United Kingdom.

Boston Consulting Group (BCG) also noted that since 2023, the global e-commerce industry has gradually returned to its long-term pre-pandemic growth trajectory. While the pace of growth has moderated compared to the pandemic era, the overall market continues to demonstrate solid development and outpaces the modest growth of physical retail channels.

(ii) Domestic e-commerce retail market

According to analysis by the Department of Statistics, Ministry of Economic Affairs, Taiwan, the widespread adoption of the internet and smartphones has made online shopping an indispensable channel for Taiwanese consumers. The COVID-19 pandemic further accelerated the growth of the e-commerce industry in recent years.

However, as consumer behavior gradually shifted back to physical retail post-pandemic, the sales revenue of physical retail stores in 2023 (Year 112 in ROC calendar) increased by 7.0% year-over-year, surpassing the 1.5% growth recorded by the e-commerce sector for the first time.

Notably, from January to November 2024 (Year 113), the e-commerce sector's year-over-year growth rebounded to 3.0%, outpacing the 2.6% growth of physical retail. This indicates that online shopping continues to demonstrate resilient and sustained demand among Taiwanese consumers.

A review of market development shows that in 2010 (Year 99 in the ROC calendar), Taiwan's e-commerce revenue stood at only NT\$100 billion. After eight years of steady growth, it surpassed NT\$200 billion in 2018. Fueled by rapid expansion during the pandemic, the sector

doubled again in just three years, exceeding NT\$400 billion in 2021. It is estimated that in 2024 (Year 113), revenue will reach NT\$460 billion, setting a new record high.

Notably, in 2021, e-commerce sales surpassed those of department stores and convenience stores, making it the largest general merchandise retail channel in Taiwan, underscoring the profound impact of online shopping on the consumer market.

Overall, during the pandemic, physical retailers accelerated their expansion into online sales. Between 2020 and the third quarter of 2024, the growth of online sales from physical retailers consistently outpaced their in-store revenue growth. By adopting an omnichannel approach-integrating resources and directing traffic between online and offline channels-these retailers effectively expanded their customer base and improved marketing precision.

Meanwhile, e-commerce players have also begun investing in offline channels. Between 2022 and 2023, their revenue growth from physical stores significantly outperformed that from online sales, and this trend continued into the first three quarters of 2024, indicating a blurring boundary between e-commerce and physical retail.

Looking ahead, Taiwan's retail market is expected to evolve toward a "new retail" model, where both traditional retailers and e-commerce platforms will place online communities at the core of their strategies, while accelerating digital transformation and service innovation to enhance competitiveness and meet the challenges posed by a rapidly changing market and emerging e-commerce players.

(iii) Fintech market

According to a survey by the Department of Statistics, Ministry of Economic Affairs, digital payments (including credit cards and mobile payments) accounted for 48.1% of total retail sales in 2023 (Year 112), reflecting an increase from the previous year. Among all payment methods, mobile payment usage rose by 1.9 percentage points, marking the largest year-over-year growth.

This growth was primarily driven by collaborative efforts between the government and private sector to promote digital payment adoption, alongside improved regulatory frameworks, enhanced industry standards, and strengthened information security. These developments have created a more mature payment environment, further encouraging consumer adoption. As a result, cash transactions declined by 2.6 percentage points compared to 2022, indicating that digital payments are gradually replacing traditional payment methods and accelerating the digital transformation of the FinTech sector.

Focusing on the general merchandise retail sector, which includes department stores, hypermarkets, supermarkets, and convenience stores—areas of high daily consumer spending—mobile payments accounted for 17.8% of transactions, exceeding the average for the overall retail industry. This was mainly supported by retailers offering a wide variety of mobile payment options and even launching proprietary payment systems integrated with loyalty programs, reward points, and exclusive promotions.

Meanwhile, in the non-store retail sector, which includes online shopping, approximately 60% of consumers used credit cards, and nearly 10% used mobile payments, while the share of cash payments fell below 9%. These figures reflect the ongoing transition toward a cashless era in e-commerce, with digital payment methods emerging as the mainstream choice for consumers.

Payment Methods Used by Consumers in Retail							Unit: %
	Total	Cash	Credit Card	Transfers, Remittances & Checks	Stored-value Card	Mobile Pay	Other
2022	100.0	26.5	36.0	23.5	1.3	9.3	3.4
2023	100.0	23.9	36.9	23.4	1.1	11.2	3.5
Retailer Industry							
General Merchandise	100.0	34.7	38.8	0.6	2.6	17.8	5.5
Motor & Vehicle	100.0	5.1	16.5	70.5	0.0	7.8	0.1
Other Non-Store	100.0	8.4	61.3	9.7	0.4	9.9	10.3
Noted:							
1. Cash includes payments made via cash on delivery (COD).							
2. Transfers, remittances, and checks cover both direct consumer debits and indirect collections through other payment channels.							
3. Others include gift certificates, merchandise vouchers, convenience store collections, and other methods such as stimulus vouchers.							

Chart: 2024 Survey on the Operational Status of Wholesale, Retail, and Food
& Beverage Industries

(Source: Department of Statistics, Ministry of Economic Affairs, November 2024)

On the other hand, promoting a cashless society has become a global trend, and Taiwan's Financial Supervisory Commission (FSC) launched the third phase of its non-cash payment promotion plan in 2024 (Year 113). This three-year initiative aims to boost the total value of non-cash payments-covering four major categories: credit cards, stored-value cards, electronic payments, and ATM transfers-to exceed NT\$10 trillion by the end of 2026 (Year 115).

According to FSC statistics, during the first three quarters of 2024, the number of non-cash payment transactions reached 6.066 billion, representing a 22.32% year-over-year increase compared to 4.959 billion transactions in the same period of the previous year. In terms of value, non-cash payments totaled approximately NT\$6.17 trillion, up 14.47% from NT\$5.39 trillion in the same period of 2023.

Looking ahead, as digital payment scenarios continue to expand and usage frequency increases, Taiwan is expected to accelerate its transition toward a cashless society, further advancing the development of the financial technology (FinTech) sector.

③ Opportunities and Challenges in Competitive Positioning and Future Development, with Strategic Responses

(i) Competitive Advantages

(a) Strengthening Core E-Commerce Platform Advantages and Launching Innovative Differentiated Services

PChome Group's flagship B2C e-commerce business, PChome 24h Shopping, offers over 5 million products across a wide range of categories including food, apparel, housing, transportation, education, and entertainment. Among them, more than 2 million in-stock items are eligible for nationwide 24-hour delivery, making it the e-commerce platform in Taiwan with the largest in-stock selection. The platform aims to meet consumers' comprehensive shopping needs-from electronics to

daily essentials, from physical goods to service-based products, and from online to offline—creating a truly 360-degree, one-stop shopping experience.

Following the 2023 launch of Taiwan's first extended warranty service for large home appliances by a major e-commerce platform, PChome further innovated in 2024 with the "Next-Day Delivery and Installation Service" for large appliances, enhancing the convenience of purchasing home electronics online. For 3C (computer, communication, consumer electronics) products, the existing "Trade-in Program for Used Mobile Phones" has been upgraded to a "3C Trade-in Program," now covering smartphones, tablets, laptops, and wearable devices, allowing customers to easily recycle used products in exchange for PChome shopping credits.

In addition, building on the offline installation service centers launched last year, 2024 also saw the introduction of a "Laptop Extended Warranty Service," offering more comprehensive post-purchase value-added support. As a leading e-commerce channel for 3C products and home appliances, PChome 24h Shopping continues to deepen its core service value, optimizing the customer journey from pre-purchase trade-in to post-purchase support. These efforts further strengthen the platform's competitive position and reinforce its brand identity: "For 3C and home appliances, PChome is the go-to choice."

In the lifestyle merchandise category, PChome 24h Shopping continues to expand its brand supplier network, strengthen the popularity of daily flash deals, and enhance promotional momentum through weekly themed sales events. Leveraging its mascot, BOXMAN, the brand has increased its presence in consumers' daily lives. Notably, the BOXMAN-branded toilet paper launched in Q4 2023 became a long-term bestseller. In 2024, the Company followed up with additional IP collaboration products, including wet wipes and more.

In terms of cross-industry strategic alliances, PChome partnered with Chunghwa Telecom to launch a reciprocal membership program, enabling Hami Points to be redeemed directly on the PChome 24h Shopping platform. Through initiatives such as Hami Shopping affiliate traffic and the "5G Easy Point+ Annual Bundle Plan," the partnership

has expanded reach to Chunghwa Telecom's vast user base, amplifying the value of its integrated points ecosystem. In parallel, PChome collaborated with DBS Bank to introduce a co-branded credit card offering an attractive 6% cashback, further strengthening its loyalty membership strategy.

As Taiwan's first comprehensive green e-commerce platform, PChome 24h Shopping launched its Green Shopping Initiative in 2019 (Year 108). All shipping cartons are made from recycled materials, with over 90% recycled pulp content. The Company has been recognized with the "E-Commerce Packaging Reduction Label" under the Environmental Protection Administration's E-Commerce Packaging Reduction Programs 1.0 and 2.0.

Moreover, PChome continues to refine its product selection strategy and expand its green merchandise portfolio. This includes joint efforts with the Small and Medium Enterprise Administration (SMEA) of the Ministry of Economic Affairs to promote the "Buying Power Store", and the launch of a Green Product Pavilion featuring certified organic, natural, plastic-reduced, and energy- or water-saving labeled products. Through these initiatives, PChome aims to consumption.

Since the full-scale launch of the PChome Linkou A7 Smart Logistics Park in October 2023 (Year 112), the Company has continued to optimize overall warehouse operations and has significantly reduced manual warehouse maintenance and operating costs. As the first e-commerce logistics facility in Taiwan to integrate AI technology and fully automated systems at the highest density, the A7 facility now handles 60% of total orders for PChome 24h Shopping.

Meanwhile, the Company's in-house logistics subsidiary, PChome Express, has also expanded its delivery capacity. Currently, its distribution network covers 70 districts across 9 counties and cities in northern, central, and southern Taiwan, with self-operated logistics accounting for 60% of total parcel deliveries.

Looking ahead, PChome 24h Shopping will continue to enrich its portfolio of private-label brands, enhance product category diversity, and strengthen platform service differentiation through diversified

cross-industry partnerships. These efforts aim to engage multi-generational consumer segments and fulfill the comprehensive lifestyle needs of modern shoppers.

(b) Cross-Border E-Commerce Fueled by Growing Consumer Adoption in Taiwan

Taiwanese consumers demonstrate high acceptance of overseas goods and possess strong per capita purchasing power, making Taiwan an increasingly attractive market for international e-commerce platforms. PChome's cross-border subsidiary Bibian, which specializes in Japanese proxy bidding and purchasing services, has been at the forefront of the industry since its official launch in October 2019 (Year 108), pioneering multiple industry firsts.

Bibian offers features such as the lowest air freight rates in the market, automatic air shipment to Taiwan without the need for package consolidation, customs clearance-free service, and full compensation for damaged or undelivered items, alongside transparent pricing across all fees, backed by its "Zero-Risk, Five Guarantees" promise.

Bibian has formed strategic alliances with major Japanese industry players including SGH GLOBAL JAPAN (a subsidiary of SG Holdings Group), Japan's largest secondhand marketplace Mercari, affordable drugstore chain SUNDRUG, top-five general trading house ITOCHU Corporation, leading fashion group ONWARD HOLDINGS' ONWARD MARCHE, Peach Aviation (Japan's first low-cost carrier), Rakuten Rakuma, minne by GMO Pepabo (Japan's largest handmade e-commerce platform), and Taiwan's FamilyMart convenience store chain.

Currently, Bibian offers a variety of cross-border shopping models, including a Japanese goods mall, on-demand purchases, and proxy bidding and shopping across Japanese e-commerce platforms.

To further enhance the cross-border shopping experience, Bibian launched a dedicated "Bibian Japanese Goods Section" within FamilyMart's member app in 2024 and introduced a Japanese Yahoo! Auctions Authentication Service in collaboration with Japan's professional appraisal firm FAKEBUSTERS.

Looking forward, Bibian will continue to expand its cross-border service capabilities and value, striving to make cross-border shopping a seamless part of everyday life for Taiwanese consumers.

(c) Enhancing FinTech Integration to Unlock Broader Ecosystem Value

The Group's financial technology businesses primarily include 21st FinTech, Pi Mobile Technology, Cherri Tech, and e-Insure, offering FinTech service products for both consumer-facing (To-C) and business-facing (To-B) segments. In recent years, the Group has continued to integrate internal resources to launch innovative FinTech services such as "Pi Wallet x PAYLATER" the "iPhone Subscription Program," and "Appliance Protection Plan." Following its market-leading introduction of smartphone and laptop subscription services, the Group further expanded its product lineup in 2024 by partnering with GIANT to launch the market's first "Bicycle Subscription Plan" and collaborating with Data Express to promote the "iPhone Subscription Plan," thereby enriching the diversity of its subscription offerings.

In the domestic market, the Group has already achieved notable results across multiple FinTech service areas, including mobile payments, payment gateway (Payment Gateway) solutions, and installment/subscription-based services. Looking ahead, the Group will continue to develop innovative service models, expand the application scenarios and scale of its FinTech offerings, and pursue overseas market expansion to further amplify synergies within the financial technology business.

(ii) Favorable and unfavorable factors for future developments and response measures

(a) Favorable factors:

- Promising Growth Outlook Driven by Taiwan's Low E-Commerce Penetration Rate

According to research conducted by the Institute for Future Circulation, Taiwan's e-commerce penetration rate (measured as online retail sales as a percentage of total retail industry sales) rose from 8.6% in 2019 (Year 108), before the pandemic, to 13.9%

in 2022 (Year 111)—an increase of 5.3 percentage points, which exceeds the global average growth of 4.8% over the same period.

However, with the return of consumer activity to offline retail channels following the pandemic, Taiwan's e-commerce penetration rate is projected to slightly decline to 13.6% in 2024 (Year 113).

Despite this short-term adjustment, Taiwan's e-commerce market fundamentals remain strong, backed by high internet penetration, a highly efficient logistics and home delivery system, and the agile digital transformation strategies of physical retailers. It is projected that by 2030 (Year 119), Taiwan's e-commerce penetration will rise to 19.8%, with total online retail sales exceeding NT\$1 trillion, representing an increase of approximately NT\$420 billion from 2023 (Year 112), and a compound annual growth rate (CAGR) of 7.6%.

These figures highlight a major structural shift in the retail landscape, which will lead to a reallocation of market resources. Whether through incremental consumption created by online channels or substitutional consumption migrating from physical to online retail, these trends will serve as the primary growth drivers and key commercial opportunities for Taiwan's retail industry over the next decade.

- Leveraging Demographic Shifts to Capture Growth in the Silver Economy Through E-Commerce

Taiwan recorded its first instance of negative population growth in 2020 (Year 109) and is expected to officially enter a super-aged society by 2025 (Year 114), when individuals aged 65 and above will account for 20% of the total population. This demographic transformation is poised to profoundly impact the future development of the retail industry.

According to the Institute for Future Circulation, which analyzed Japan's retail data from 2007 to 2023 (Year 96 to 112) following its transition into a super-aged society, and taking into

consideration Taiwan's industrial structure and consumer preferences, e-commerce is projected to be the strongest growth driver within Taiwan's wholesale and retail sectors between 2023 and 2050 (Year 112 to 139).

As the needs of the aging population continue to rise, key categories such as medical and healthcare services, nutritional supplements, smart home appliances, remote care, and social e-commerce are expected to become major engines of e-commerce growth. The convergence of the silver economy and digital commerce is set to become a pivotal trend in the evolution of Taiwan's retail industry.

- Facilitating E-Commerce Advancement Through Government Policies and Partnerships

The Taiwanese government places strong emphasis on the development of the e-commerce industry, actively promoting its growth through a combination of policies, regulatory frameworks, subsidy programs, and international cooperation.

Looking ahead, as the digital economy and cross-border trade continue to expand, the government is expected to further refine regulations and improve the overall industry environment, ensuring that Taiwan's e-commerce sector remains internationally competitive.

(b) Disadvantages and countermeasures:

- Intensified competition in online sales of Taiwan's retail industry

According to the Mirai Business Research Institute's analysis, Taiwan's online sales market comprises three main sectors: pure e-commerce, online sales by physical retailers, and online sales by TV shopping and direct selling industries. In 2023, pure e-commerce led with a market size of NT\$391.5 billion, accounting for 61.5% of the total online sales market. This was followed by online sales from physical retailers at NT\$192.6 billion and TV shopping and direct selling at NT\$52.3 billion, accounting for 30.3% and 8.2%, respectively.

With major physical retail groups actively pursuing digital transformation and acquiring online sales businesses post-pandemic, projections for 2030 indicate that e-commerce and mail-order industries will constitute approximately 56.3% of the online shopping market, physical retail will account for about 38.5%, and TV shopping and direct selling will make up around 5.2%. Between 2025 and 2030, the compound annual growth rate (CAGR) for online shopping by physical retailers is expected to be 11.3%, with the 6.2% CAGR for e-commerce and mail-order industries and the 0.8% CAGR for TV shopping and direct selling. In recent years, the online sales growth of Taiwan's physical retail sector has significantly outpaced that of other major segments, emerging as the fastest-growing component of the overall online retail market.

Research by Boston Consulting Group also indicates that while the e-commerce industry has returned to its pre-pandemic growth trajectory, the competitive dynamics and market trends have notably shifted. Since 2021, the rapid expansion of the market, coupled with the emergence of new business models like Direct-to-Consumer (D2C) and the entry of new competitors such as SHEIN, Temu, and TikTok Shop, has intensified global e-commerce competition. On the other hand, as the industry matures, improvements in logistics networks, digital payments, mobile Internet, and cross-border commerce infrastructure, along with stabilizing technology costs, are prompting e-commerce and retail companies to shift their operational focus from market share acquisition to profitability and differentiated market positioning.

Response measures:

In recent quarters, the Group has focused on fundamentally strengthening its operational foundation, striving to bring about "meaningful change" that can be felt by consumers, suppliers, and partners. Key initiatives include the ongoing optimization of user experience and deepening of member engagement to enhance brand preference and consumer loyalty; strengthening supplier

development and management to explore broader and more diverse sources and product combinations; and improving product competitiveness, particularly by enriching the assortment and revenue contribution of household and daily goods. For the 3C appliances and home appliance category, efforts are centered on enhancing core service value by offering innovative and comprehensive value-added services, thereby creating service differentiation for the platform. Also, the Group actively seeks breakthrough collaborations to enhance its competitive edge. At the same time, in addition to continuing the expansion of third-party warehousing services to provide high-quality enablement solutions for the e-commerce industry, the Company has also launched a new Retail Media Network (RMN) service-PChome Ad, aimed at fostering win-win collaborations with major brand partners.

Looking ahead, the Company will continue to build a more competitive e-commerce ecosystem through diverse and in-depth collaborations with strategic partners. By deepening data application and integrating AI technologies, the Company will roll out innovative features and services more closely aligned with consumer needs, offering a more personalized, high-quality, and convenient shopping experience to drive steady growth.

(2) Main purpose and production process of the key products

The Company's key products provide consumers with products and innovative services to meet their needs. As a non-manufacturing entity, it does not engage in any production processes.

(3) Supply of key raw materials

The Company's primary business involves operating an e-commerce sales platform that offers consumers a wide variety of products. As these products are not manufactured by the Company itself, there is no dependence on the supply of specific raw materials.

(4) Suppliers/customers accounted for at least 10% of purchase/sales in the most recent two years and respective amount and percentage

- ① Suppliers accounted for at least 10% of purchase in the most recent two years and respective amount and percentage, and the reasons for the changes

Unit: NT\$ 1,000

Name	2024			2023		
	Amount	Percentage of total purchase (%)	Relationship with issuer	Amount	Percentage of total purchase (%)	Relationship with issuer
Supplier A	4,865,790	15.17	None	6,764,757	18.54	None
Others	27,218,921	84.83	None	29,728,498	81.46	None
Net purchase	32,084,711	100.00		36,493,255	100.00	

Reason for the change: The variation in purchase amount and proportion is mainly due to changes in customer product demand.

- ② Customers accounted for at least 10% of sales in the most recent two years and respective amount and percentage, and the reasons for the changes

The Company's operating revenue comes mostly from products sold through the e-commerce sales platform. Thus, customers are diverse and none of them accounts for 10% or more in the most recent two years.

3. Human Resources

Human capital is the most valuable asset of any company. Enabling each employee to work with peace of mind and fully realize their potential is a fundamental goal that all organizations should strive to achieve.

To attract top talent, the Company not only offers a stable and competitive compensation package and comprehensive employee benefits, but also provides well-structured training programs and career advancement systems, in alignment with its core human resources policy of maximizing workforce potential.

Year		2023	2024	Current year as of the printing date of the annual report
No. of employees		1,657	1,464	1,289
Average age		36.76	37.99	38.26
Average Years of Service		5.98	6.64	6.67
Educational background	Ph.D.	0.12%	0.07%	0.08%
	Master's degree	7.32%	7.10%	6.98%

Year		2023	2024	Current year as of the printing date of the annual report
(%)	Bachelor's degree and associate degree	65.20%	64.80%	66.80%
	Senior high school	24.19%	24.69%	22.80%
	Below senior high school	3.17%	3.34%	3.34%

4. Environmental Protection Expenditure

The Company's aggregate loss for environmental pollution (including compensation and violations of environmental laws and regulations identified by environmental protection audits, where the punishment date and official document number, articles violated, and details of the violation and punishment shall be explicitly stated) in the most recent fiscal year up to the publication date of this annual report, and disclosure of potential losses at present and in the future and countermeasures. If the losses cannot be reasonably estimated, reasons shall be stated: None. The Company mainly engages in Internet business, including services at websites and e-commerce. Since the Company does not have a factory, there is no environmental pollution. Products of the Company and its subsidiaries are not involved in RoHS regulations.

5. Labor Relations

- (1) Overview of Employee Benefits, Training and Development Programs, Retirement System, and Implementation Status, as well as Labor Relations and Employee Rights Protection Measures

- ① Employee benefits

The Company has lawfully established an Employee Welfare Committee, which allocates monthly budgets to regularly implement a variety of employee benefit programs. Each year, the Company prepares a detailed welfare plan and budget, which includes initiatives such as Double 11 incentive campaigns, team dinners, Christmas celebrations, and the promotion of employee clubs to support work-life balance and reduce workplace stress. Additional benefits include regular health check-ups and coverage under labor, health, and group insurance programs.

Compensation is determined based on labor market benchmarks to ensure competitive and equitable salary structures, supported by a stable salary adjustment policy and performance-based bonuses granted annually in accordance with operational performance.

To promote language proficiency, the Company encourages employees to enhance their English and Japanese conversation and reading skills, and supports participation in exams such as TOEIC and JLPT through defined subsidy and incentive programs.

In addition, the Company offers the following employee welfare measures:

- (i) Additional paid leave beyond the requirements of the Labor Standards Act, starting from the sixth month of employment.
- (ii) Christmas parties and year-end gatherings to show appreciation for employee contributions.
- (iii) Company-sponsored clubs and social activities to support a balanced and enriching lifestyle outside of work.
- (iv) Dedicated breastfeeding rooms to support working parents.

② Continuing education and training

Talent is the most valuable asset of a company and the driving force behind sustainable business development. However, talent must be nurtured through structured training and development.

To this end, the Company has established a comprehensive training system that includes pre-employment training for new hires, job-specific foundational training, professional skills training, and external corporate training programs. These programs equip employees with the knowledge, mindset, and skills required for their roles, enabling them to continuously enhance their competencies, realize their potential, and improve work efficiency. At the same time, the Company is committed to creating a positive and engaging work-learning environment that fosters proactive, innovative, and professional talent.

In addition, the Company provides structured development plans aligned with each stage of an employee's career, allowing every team

member to achieve self-growth through progressive and ongoing learning, ultimately becoming professionals with both technical expertise and practical management capabilities.

(i) Employee training headcount and duration

For the most recent year and as of December 31, 2024, employee training attendance and hours are shown below.

Course	Total number of employees	Total hours
Orientation training	5,560	8,320
Professional training		
General knowledge training		
Management capabilities		

(ii) Implementation of education and training

To keep pace with rapid technological advancements and ensure that employee capabilities align with both individual career development and corporate goals, the Company identifies employee learning and development as a strategic priority within its human resources management framework.

Anchored in core competencies and guided by business strategy, the Company has built a structured and forward-looking training blueprint that integrates functional skill development. A wide range of training formats are employed—including knowledge-sharing platforms, in-person and hybrid courses, and interactive workshops—to support continuous learning and talent cultivation across all levels of the organization.

The Company's training programs include:

Onboarding for new hires, introducing corporate culture, organizational structure, IT systems, workplace safety, and internal operations; Core competency development programs for all employees; Leadership and management training tailored to current and future supervisors; Professional and technical training aligned with business functions.

Through this integrated approach, the Company provides employees with comprehensive and practical learning opportunities, aimed at fostering growth, strengthening capability, and supporting long-term organizational development.

(iii) Retirement system

To help ensure financial stability for employees after retirement, the Company adopts both the former and current retirement systems in accordance with Taiwan's labor laws.

For employees covered under the Labor Standards Act (the former system), the Company makes monthly contributions to a retirement reserve fund, which is overseen by the Supervisory Committee for Labor Retirement Reserve. These funds are deposited in a dedicated account under the committee's name and are managed in accordance with applicable regulations governing fund disbursement, custody, and utilization.

For employees enrolled under the Labor Pension Act (the current system), the Company contributes no less than 6% of each employee's monthly wages, in line with the contribution rates set forth by the Executive Yuan's approved salary classification table. These contributions are deposited into individual pension accounts maintained by the Bureau of Labor Insurance under each employee's name.

(iv) Agreements between the employer and employees

The Company maintains open and effective channels of communication, and is committed to fostering harmonious labor relations through active two-way dialogue aimed at addressing and resolving issues. All employment terms and conditions are either in compliance with or exceed the requirements of the Labor Standards Act, and to date, the Company has maintained a stable and cooperative labor-management relationship.

Regular management meetings are held to gather employee feedback, enabling continuous communication and improvement in labor-related matters. In addition, the Company has established dedicated email channels on its intranet and official website that allow employees to communicate directly with senior management, providing

a confidential platform for submitting complaints or expressing opinions.

(v) Policies and Mechanisms for Protecting Employee Welfare and Rights

The Company has established Work Rules and Personnel Management Regulations to clearly define the rights and obligations of both labor and management, as well as related administrative matters. These regulations are designed to ensure that employees have a clear understanding of workplace policies and are able to safeguard their rights and interests accordingly.

(vi) Rules on employee remuneration and share subscription

The Company is committed to aligning employee interests with corporate performance through a well-structured profit-sharing and equity participation program. This approach reinforces a shared sense of purpose and long-term commitment between the Company and its employees.

In accordance with the Articles of Incorporation, when the Company reports a profit for the fiscal year, 1% to 15% of the annual earnings may be allocated as employee compensation, allowing employees to share directly in the Company's success.

Additionally, during each round of capital raising through cash issuance of new shares, a designated portion is reserved for employee subscription, enabling employees to participate in the Company's long-term growth through voluntary shareholding.

(vii) Code of ethical conducts for employees

Although the Company has not adopted a standalone Employee Code of Conduct or Ethics, it enforces high standards of employee behavior through a series of well-defined internal policies and operational guidelines, which are aligned with the Company's strategic objectives and governance principles.

Key measures include:

(a) Establishment of Work Rules

The Company has implemented a comprehensive set of work rules that clearly outline expected employee behavior and responsibilities.

These rules ensure that all employees act in accordance with Company policies and maintain consistent standards of conduct.

(b) Implementation of a Reward and Disciplinary System

A formal reward and disciplinary framework is embedded within the work rules to proactively prevent misconduct and mitigate potential harm to the Company's operations or reputation.

(c) Clear Definition of Departmental Roles and Responsibilities

Each department's functions and duties are clearly defined based on organizational structure. This supports effective division of labor, promotes cross-functional collaboration, and enhances overall operational efficiency.

(d) Trade Secret Protection and Confidentiality Agreements

To safeguard business competitiveness, all employees are required to uphold strict confidentiality obligations. Upon onboarding, employees must sign a Non-Compete and Confidentiality Agreement and an Employment Consent Form, which includes provisions on intellectual property protection and trade secret management to prevent information leakage.

(e) Robust Attendance and Access Control System

The Company maintains strict access control protocols, with detailed entry and exit records for all personnel. Absence and leave requests are managed under a formal attendance policy, which reinforces organizational discipline and supports productivity.

Through the consistent implementation and communication of these management systems and internal policies, the Company fosters a culture of professionalism, ethical conduct, and operational integration.

(viii) Occupational Safety and Workplace Environment Management

As a company operating in the information services sector, and not in manufacturing, the Company is committed to providing a safe, healthy, and comfortable working environment for all employees. The design and management of the workplace prioritize employee safety, ensuring comprehensive protection during daily operations.

All entry and exit points are equipped with secure access control systems, such as ID card readers, to strengthen on-site security and protect employees' physical safety. In addition, all mechanical, electrical, and fire safety equipment—including fire alarms and extinguishers—are maintained in accordance with regulatory schedules, with routine monthly, quarterly, and annual inspections and servicing to ensure optimal functionality at all times.

To support employee well-being, the Company offers annual health check-ups, enabling employees to proactively manage their health. The Company also coordinates with the building management to conduct regular fire and emergency drills, ensuring that employees are equipped to respond effectively in the event of an emergency.

Furthermore, all employees are covered under group insurance policies, providing additional protection and peace of mind during working hours. The Company also ensures the safety and quality of drinking water through regular maintenance and inspection of water dispensers and related equipment.

Through these ongoing measures, the Company demonstrates its commitment to maintaining a safe and supportive work environment, consistent with its responsibilities as an employer and its long-term operational values.

- (2) Losses arising as a result of labor disputes (including violations of Labor Standards Act identified during labor inspections, where the punishment date and official document number, articles violated, and details of the violation and punishment shall be explicitly stated) in the most recent year up to the date of publication of this annual report, and disclosure of potential losses at present and in the future and countermeasures. If the amount cannot be reasonably estimated, please state the reasons.

The Company maintains harmonious and constructive labor relations. As of the date of this annual report, any labor-related disputes that have arisen are being handled with due care and discretion. These matters have not had a material impact on the Company's financial position or business operations.

Looking ahead, the Company remains committed to upholding principles of integrity and accountability, and will continue to prioritize

employee well-being while fostering a cooperative environment that supports sustainable growth and long-term success for both employees and the organization.

6. Cyber Security Management

(1) Information Security Policy, Risk Management Measures, and Strategic Investments

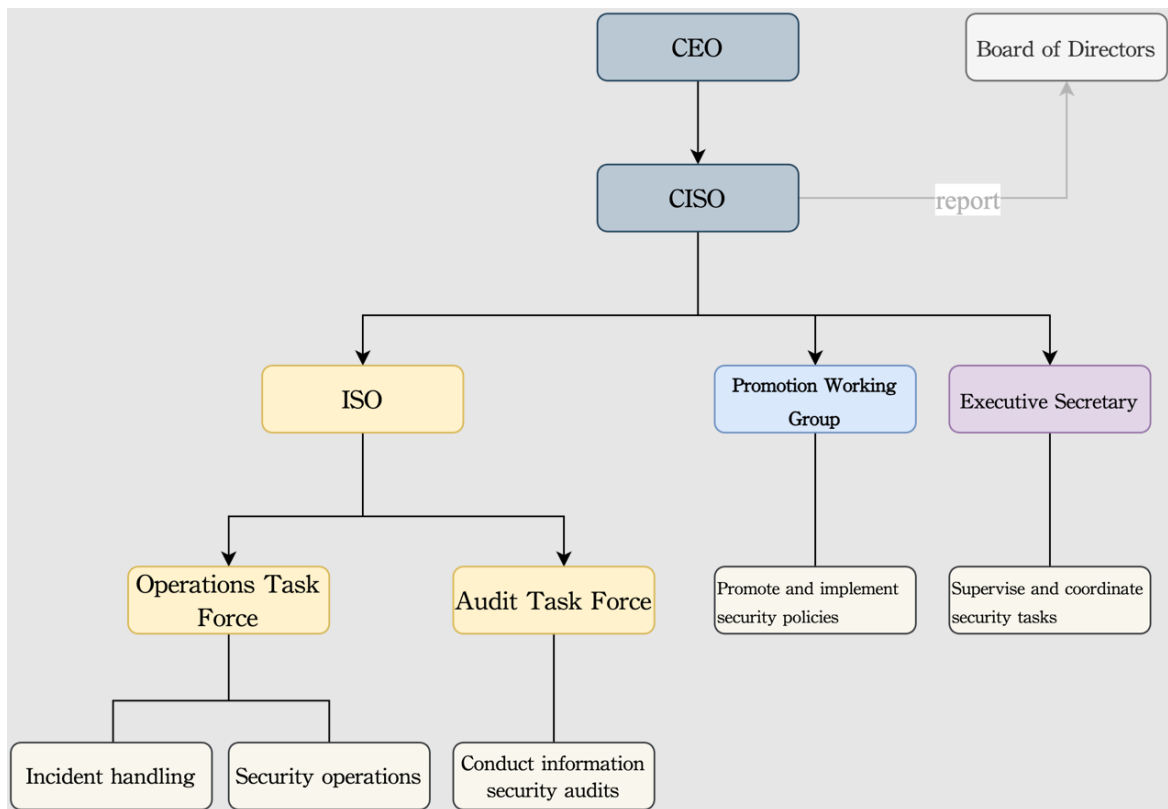
① Framework for Managing Information and Cybersecurity Risks

(i) Enterprise Information Security Governance Organization

In 2018, the Company established the "Cyber Security Department" as part of its efforts to strengthen cyber security management and enhance the reliability of its information technology environment. Operating as an autonomous unit, free from interference from other areas of the organization, the Department assumes responsibility for overseeing the formulation, implementation, risk assessment, control, and audit compliance of the company's cyber security policies. This arrangement promotes cyber security measures both internally and externally, ensuring the provision of secure online services to customers. Additionally, the senior executive of the Cyber Security Department is mandated to provide quarterly reports on the current state of cyber security management, future plans, and relevant issues to the CEO and the Audit Committee of the Board of Directors.

To implement the cyber security strategy set by the Department and to ensure internal compliance with cyber security-related guidelines, procedures and regulations, the "Cyber Security Task Force" was established. The CEO shall assign the Chief Cyber Security Officer as the convener to convene the Cyber Security Task Force responsible for cyber security prevention, audits, governance and crisis management, and assign senior managerial officers of each business unit to form a cyber security promotion group to push various policy promotion work. The executive secretary shall be responsible for holding meetings, coordinating security affairs, and implementing cyber security-related education and training. Quarterly meetings shall be held to review and resolve cyber security and protection policies, and fulfill the validity of cyber security management measures.

(ii) Cyber security organizational structure



② Cyber security policies

(i) Information Security Governance Strategy and Mechanisms for Continuous Improvement

To effectively implement information security management, the Company, through its Information Security Task Force, conducts regular reviews of the applicability of information security policies and protection measures, and periodically reports the status of risk management and implementation effectiveness to the Chief Executive Officer.

The Company is committed to becoming an online shopping platform to make consumers feel safe, without any concern about information security or personal privacy violations, and ensure business capacity and performance of online services, establish a complete security management policy, from system, technical and procedural aspects to evaluate information security risks based on the level of risk. Prioritize processes, such as probability, impact level and costs required to circumvent risks, clearly identify the significant risks of business and security impacts, and ensure that through the PDCA (Plan-Do-Check-Act) cycle management methodology Risk reduction effectiveness to create the highest standards of confidential information protection services that meet customer

needs.

To strengthen its defense posture, the Company has developed multi-layered cybersecurity protection, continuously introducing advanced security technologies. A comprehensive security operations and monitoring framework has been implemented, covering the five core functions of information security:

Identify, Protect, Detect, Respond, and Recover.

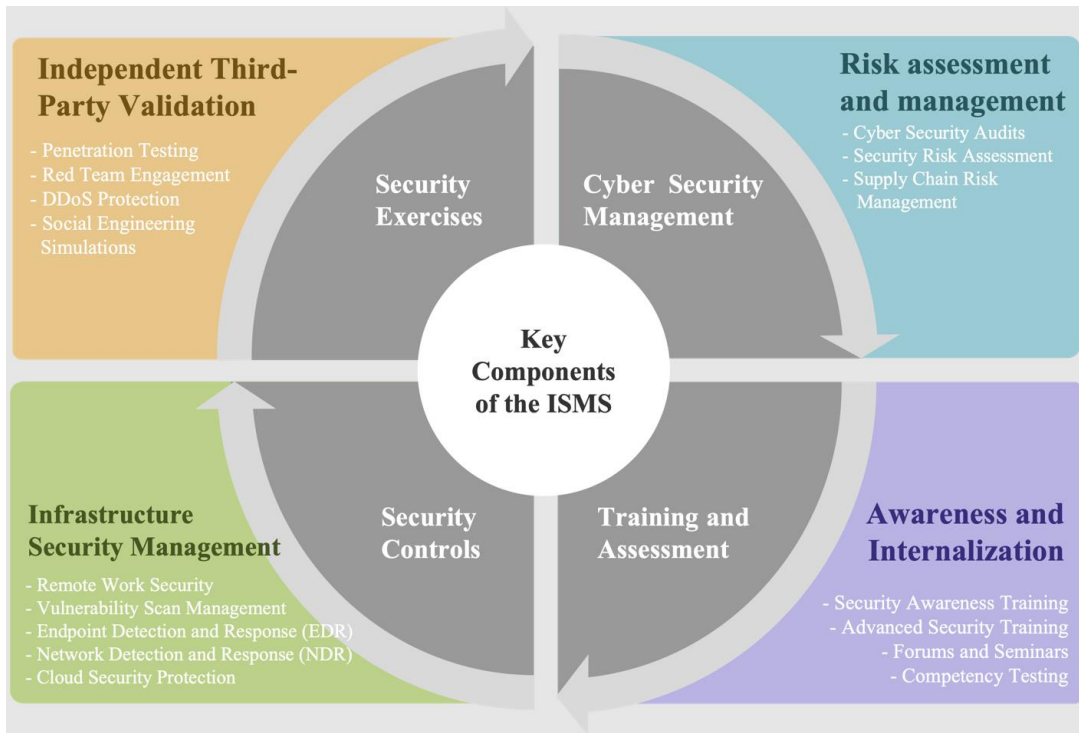
The Company actively monitors the effectiveness of its information security management practices. Based on the findings of regular internal information security audits, the Company conducts risk assessments, impact analysis, and corrective action planning to continuously improve its cybersecurity posture.

To validate the effectiveness of its defense mechanisms, the Company conducts various cybersecurity simulation exercises, ensuring that its response capabilities are robust and that potential threats can be identified and mitigated proactively. These efforts are complemented by a systematic approach to raising organizational awareness and vigilance, helping to prevent incidents before they occur.

In addition, the Company regularly organizes information security summits and training sessions to enhance employee awareness and understanding of cybersecurity issues. These programs are designed to disseminate critical security information, review real-world security incidents, and provide actionable guidance to departments on preventive measures.

To further strengthen internal capabilities, the Company also arranges external training opportunities, ensuring employees remain up to date with the latest cybersecurity trends, best practices, and technological developments.

(ii) Specific management schemes



(iii) Resources invested in cyber security management

Resources Allocated to Information and Communication Security Management in 2024



(2) Emerging Cybersecurity Risks and Strategic Challenges Ahead

With the rapid acceleration of digital transformation, enterprises are increasingly benefiting from the convenience and efficiency brought by

technological innovation. However, this progress also comes with growing and increasingly complex information and cybersecurity risks. As cyberattack techniques continue to evolve, the scale, frequency, and sophistication of cyber threats are on the rise, presenting heightened challenges to maintaining business continuity and protecting information assets.

As a publicly listed company, we fully recognize the critical importance of information security in ensuring stable operations and safeguarding shareholder interests. Accordingly, we have embedded cybersecurity into the core of our enterprise risk management and corporate governance framework, and remain committed to identifying, mitigating, and preventing a wide range of potential risks in an increasingly volatile threat environment.

① Cyber security risks

- (i) Cyberattacks and Ransomware Threats: In recent years, ransomware and other forms of cyberattacks have proliferated, with threat actors targeting enterprise information systems, databases, and critical infrastructure. These attacks typically involve the unauthorized encryption of data and subsequent demands for ransom payments to restore access. As attack methods become more sophisticated, the difficulty and cost of prevention and response continue to escalate for businesses.
- (ii) Data breaches and personal information risks: As enterprises accelerate digital transformation and accumulate larger volumes of data, the risk of data breaches continues to rise. The unauthorized disclosure of personal information, trade secrets, or financial data can significantly damage a company's reputation, while also exposing it to substantial legal liabilities and financial losses.
- (iii) Supply chain attacks: As enterprises increasingly rely on outsourcing and expand their partnerships, cyber attackers are exploiting vulnerabilities within third-party vendors or service providers to launch attacks on the primary organization. These supply chain attacks are often highly covert and destructive, with the potential to cause widespread and systemic impacts across the enterprise.
- (iv) Risks related to virtual currency and anonymous payments: The increasing prevalence of cryptocurrencies and anonymous payment

mechanisms has enabled cybercriminals—particularly those deploying ransomware—to conduct ransom transactions in ways that are difficult to trace. This development has significantly hindered the ability of law enforcement agencies to monitor illicit financial flows, thereby complicating efforts to investigate and prevent cybercrime.

② Emerging Risks and Strategic Responses

(i) Application and risks of artificial intelligence (AI) and machine learning: With the rapid development of AI technology, AI and machine learning are becoming increasingly prevalent in the field of cyber security, offering enterprises more efficient tools for threat detection and protection. However, attackers can also use AI to develop more sophisticated attack methods, such as simulated phishing emails and highly automated vulnerability scans. Therefore, we will continue to invest resources in developing intelligent defense systems and enhancing our capabilities in attack prediction and prevention.

(ii) Security challenges brought by digital transformation: With the growing adoption of cloud computing, big data analytics, and the Internet of Things (IoT), enterprise information and cybersecurity risks are becoming increasingly diverse and complex.

To address these evolving challenges, the Company will strengthen its cloud security architecture, enhance endpoint protection, and improve the monitoring and management of IoT devices. We are committed to ensuring that all digital operations comply with cybersecurity requirements through the implementation of robust data encryption protocols and strict access control mechanisms.

(iii) Compliance Obligations and Increasing Regulatory Scrutiny: In light of the tightening regulatory landscape surrounding information and cybersecurity, companies are facing heightened compliance expectations and increased oversight.

To address these demands, the Company is committed to strengthening regulatory adherence by allocating appropriate resources toward compliance management. We will continue to

enhance internal controls and procedural reviews to ensure full alignment with legal and regulatory requirements, thereby minimizing the risk of non-compliance and associated legal exposure.

- (iv) Enhancing Employee Awareness and Competence in Information Security: Although organizations continue to advance their technical defenses, employees remain a critical factor in maintaining a secure environment, as their actions and level of awareness often determine the effectiveness of cybersecurity measures.

To address this, the Company will further invest in comprehensive employee training programs and periodic security drills, aimed at enhancing staff members' ability to identify, respond to, and mitigate cybersecurity risks. Moreover, security risk considerations will be embedded into day-to-day workflows and operational practices, fostering a workplace culture that prioritizes proactive risk management and shared accountability.

(3) Material cyber security incidents

As of the most recent fiscal year and up to the date of publication of this annual report, the Company has not identified any material cybersecurity incidents or attacks that have had, or may have, a significant adverse impact on its business or operations. Furthermore, the Company has not been involved in any legal proceedings or regulatory investigations related to such incidents.

7. Important Contracts

This section sets forth the counterparties, key terms, restrictions, and effective periods of all material contracts that remain valid as of the date of this annual report, as well as those that expired during the most recent fiscal year. These contracts include procurement and sales agreements, technical collaboration arrangements, construction contracts, long-term loan agreements, and other significant agreements that may materially affect shareholder interests.

AS of April 30, 2025

Nature of Contract	Counterparty	Contract Period	Details	Restrictive Provisions
Contract	Chunghwa Telecom Co., Ltd.	2024.08.01 ~2025.07.31	Data Center Hosting	None
Managed Colocation Services Agreement	New Century InfoComm Tech Co., Ltd.	Commenced on March 1, 2004 (The Company can terminate the contract anytime with written notice served four days in advance)	Data Center Hosting	None
ASSET PURCHASE AGREEMENT ; TRADEMARK LICENSE AGREEMENT ; DERIVATIVE LICENSE AGREEMENT	PChome eBay Co., Ltd.	Signed on 2006.09.15	In 2006, the Company and eBay International AG established a joint venture "PChome eBay Co., Ltd." ("PChome eBay"), signed a "TRADEMARK LICENSE AGREEMENT" with PChome eBay in 2006, authorizing the joint venture to use the Company's trademark within the scope of online auction business, also signed "DERIVATIVE LICENSE AGREEMENT" with PChome eBay. According to the agreement, the Company is entitled to acquire the platform technology developed by the joint venture and related information.	None
Bank credit approval notice	Shanghai Commercial & Savings Bank	2021.09.24~ 2028.09.24	Medium-term loan of NT\$720 million	None
Bank credit approval notice	Chang Hwa Bank	2021.10.26~ 2028.10.26	Medium-term loan of NT\$828 million	Pledge of machinery and equipment

Nature of Contract	Counterparty	Contract Period	Details	Restrictive Provisions
				for collateral
Warehouse lease agreement (Linkou Warehouse)	The Company and Chunghwa Post Co., Ltd.	2019.06.18~ 2038.01.31	A total of 15 storage units will be leased for 15 years from the lease inception date of February 1st, 2023.	None

Chapter 5. Review and Analysis of Financial Conditions, Financial Performance, and Risk Management

1. Financial Status

Unit: NT\$ 1,000; %

Item \ Year	2023	2024	Difference	
			Amount	%
Current assets	12,597,902	11,636,706	(961,196)	(7.63) %
Financial assets at fair value through profit or loss - non-current	429,999	459,924	29,925	6.96 %
Financial assets at fair value through other comprehensive income - non-current	859,583	715,960	(143,623)	(16.71) %
Investments accounted for using equity method	274,872	259,462	(15,410)	(5.61) %
Property, plant and equipment, net (including right-of-use asset)	6,109,961	5,693,323	(416,638)	(6.82) %
Intangible assets	5,702,263	5,683,900	(18,363)	(0.32) %
Other assets	1,480,960	1,986,741	505,781	34.15 %
Total assets	27,455,540	26,436,016	(1,019,524)	(3.71) %
Current liabilities	11,340,778	11,956,153	615,375	5.43 %
Non-current liabilities	7,561,303	6,471,300	(1,090,003)	(14.42) %
Total liabilities	18,902,081	18,427,453	(474,628)	(2.51) %
Share Capital	1,439,529	1,439,529	0	0 %
Capital surplus	5,560,918	5,052,998	(507,920)	(9.13) %
Retained earnings	(503,683)	(570,795)	(67,112)	13.32 %
Other equity interest	211,032	59,036	(151,996)	(72.03) %
Treasury stock	(210,502)	(210,502)	0	0 %
Equity attributable to owners of parent company	6,497,294	5,770,266	(727,028)	(11.19) %
Non-controlling interests	2,056,165	2,238,297	182,132	8.86 %
Total equity	8,553,459	8,008,563	(544,896)	(6.37) %

Analysis Description: For those who have changed more than 20 percent, and the change amount reached NT\$10 million is analyzed as follows.

1. Other assets: The change was primarily attributable to an increase in long-term accounts receivable recognized during the current reporting period.
2. Other equity: The change was primarily attributable to an increase in valuation losses on financial assets measured at fair value through other comprehensive income (FVOCI) during the period, which led to a corresponding decrease in financial assets at fair value through profit or loss - non-current.

The above differences are part of normal operating fluctuations and have no material impact on the Company's financial position.

2. Financial Performance

(1) Explanatory Notes on Significant Variations in Financial Performance for the Last Two Years

Unit: NT\$ 1,000; %

Item \ Year	2023	2024	Changes in Dollar Amount	Changes in Percentage (%)
Operating revenue, net	41,286,456	37,563,048	(3,723,408)	(9.02) %
Operating costs	36,308,911	32,675,549	(3,633,362)	(10.01) %
Gross profit	4,977,545	4,887,499	(90,046)	(1.81) %
Operating expenses	5,490,663	5,241,239	(249,424)	(4.54) %
Net operating loss	(513,118)	(353,740)	159,378	(31.06) %
Non-operating income and expenses	48,845	41,233	(7,612)	(15.58) %
Net loss before income tax	(464,273)	(312,507)	151,766	(32.69) %
Income tax expense	63,590	115,584	51,994	81.76 %
Net loss for the year	(527,863)	(428,091)	99,772	(18.90) %
Analysis on changes in percentage in the most recent two years: (For changes in percentage exceed 20% or changes in dollar amount exceed NT\$10 million)				
1. Net operating loss: The year-on-year change in operating profit was primarily attributable to a reduction in operating expenses during the reporting period, which led to an improvement in operating performance.				
2. Net loss before income tax: The year-over-year improvement was mainly attributable to a decrease in operating losses in the current period compared to 2023 (Year 112), reflecting enhanced cost control and operational efficiency.				
3. Income Tax Expense: The increase was primarily due to a reduction in pre-tax losses, resulting in higher taxable income and, consequently, an increase in income tax expense.				
Changes mentioned above are normal operation changes, and have no significant impact on the Company's finances.				

(2) Expected sales volume in the coming year and its basis

The Company has evaluated based on a comprehensive consideration of changes in the industry environment, market supply and demand trends, evolving consumer behavior, and overall e-commerce development. The assessment also takes into consideration business expansion plans and historical growth rates.

The Company expects online shopping to grow in the coming year based on industry environment and future supply and demand of the market while takes into consideration business expansion and expected growth rate. The Company's e-commerce business shall be able to achieve a stable growth.

(3) Impact on the Company's Future Financial and Business Operations: No material impact.

(4) Response plans: not applicable.

The Company operates in an industry that remains in the growth phase. Looking ahead, the Company will respond to market demand dynamics by seeking to expand market share, enhance profitability, and drive sustainable business growth. The Company's financial position remains sound and is expected to support continued development.

3. Cash Flow

Analysis of changes in cash flow, improvement plans for liquidity shortage, and the liquidity analysis for the coming year:

(1) Analysis of cash flow changes in the most recent fiscal year

Unit: NT\$ 1,000

Cash balance amount at the beginning of the year (1)	Net cash inflow (outflow) from operating activities in the year (2)	Cash inflow (outflow) in the year (3)	Amount of Cash Surplus (Shortage) (1) + (2) + (3)	Measures for Cash Shortage	
				Investing Plan	Financing Plan
4,263,320	265,097	(948,180)	3,580,237	None	None

① Operating activities:

Operating activities generated a net cash inflow of NT\$265,097 thousand during the period. This was mainly driven by a pre-tax net loss of NT\$312,507 thousand, offset by a net decrease in operating assets of NT\$629,015 thousand, and partially offset by a net decrease in operating liabilities of NT\$133,919 thousand.

② Investing activities:

Investing activities resulted in a net cash outflow of NT\$723,931 thousand, primarily due to capital expenditures related to the acquisition of property, plant, and equipment, as well as an increase in other payables during the period.

③ Financing activities:

Financing activities resulted in a net cash outflow of NT\$217,534 thousand, primarily reflecting proceeds from long-term borrowings of

NT\$4,235,220 thousand, offset by a decrease in short-term borrowings of NT\$436,048 thousand, repayments of lease liabilities totaling NT\$539,671 thousand, and repayments of long-term borrowings amounting to NT\$3,474,719 thousand.

(2) Measures for cash shortage and liquidity analysis

- ① There is no cash shortage in the most recent year.
- ② The liquidity analysis of the most recent two years is as follows:

Item \ Year	2023	2024	Changes in Percentage (%)
Cash flow ratio (%)	(8.32)	2.22	126.68 %
Cash flow adequacy ratio (%)	39.38	22.57	(42.69) %
Cash flow reinvestment ratio (%)	(5.21)	1.62	131.09 %

Notes to increase/decrease:

- (i) Cash Flow Ratio: The increase in the ratio was primarily due to a decrease in net changes in operating assets and liabilities during the year, resulting in higher net cash inflows from operating activities.
- (ii) Cash flow adequacy ratio: The decline in the ratio was mainly attributable to a reduction in net cash flows from operating activities over the past five years.
- (iii) Cash flow reinvestment ratio: The increase in the ratio was primarily driven by higher net cash inflows from operating activities during the current period.

(3) Cash liquidity analysis for the following year

Unit: NT\$ 1,000

Cash balance amount at the beginning of the year (1)	Net cash inflow (outflow) from operating activities in the year (2)	Cash inflow (outflow) in the year (3)	Amount of Cash Surplus (Shortage) (1) + (2) + (3)	Measures for Cash Shortage	
				Investing Plan	Financing Plan
3,580,237	418,649	994,530	4,993,416	None	None

4. Major Capital Expenditures in the Most Recent Year and Their Impacts on the Company's Finance and Operations: None.

5. Reinvestment Policies of the Most Recent Year, Main Reasons for Investment Gains or Losses, Improvement Plans, and Investment Plans of the Upcoming Year

The Company's equity investments are long-term strategic investments. In the consolidated financial statements for fiscal year 2024, net income recognized under the equity method amounted to NT\$2,709 thousand. Going forward, the Company will continue to pursue long-term strategic investments and will maintain a prudent evaluation process for all future equity investment plans.

6. Risk Analysis and Assessment in the Most Recent Year up to the Date of Publication of This Annual Report

- (1) Impact of changes in interest rates, foreign exchange rates, and inflation on the Company's profits or losses and future response measures

- (1) Changes in interest rates

- (i) Impact on the Company's profit or loss

The Company and its subsidiaries recorded interest expenses of NT\$99,272 thousand in fiscal year 2024, accounting for only 0.26% of net operating revenue. Given the relatively low proportion, fluctuations in interest rates have not had a material impact on the Company's earnings.

- (ii) Forward-Looking Risk Response Plan

The Company will remain attentive to developments in the global economy, financial markets, and interest rate movements, and will make timely adjustments to its capital utilization strategies as needed. By maintaining strong relationships with financial institutions, the Company aims to access more competitive borrowing rates and ensure that its financing costs are managed prudently and remain within an acceptable range.

- (2) Changes in foreign exchange rates

- (i) Impact on the Company's profit or loss

As the Company primarily focuses on domestic sales, its exposure to foreign exchange risk remains limited. In fiscal year 2024, foreign exchange gains totaled NT\$2,991 thousand, accounting for only a small portion of total revenue and overall earnings. Accordingly, future fluctuations in

exchange rates are not expected to have a significant impact on the Company's business operations or financial results.

(ii) Forward-Looking Risk Response Plan

As over 99% of the Company's revenue is derived from operations in Taiwan, and both revenue and expenditures are primarily denominated in New Taiwan dollars, changes in exchange rates have a limited impact on the Company. The Company and its subsidiaries will continue to align with actual operational needs and closely monitor global economic developments, international financial conditions, and currency exchange rate trends to mitigate the risks associated with changes in exchange rates.

(3) Inflation

(i) Impact on the Company's profit or loss

Inflation remained relatively mild in fiscal year 2024, and as a result, the Company's operational and financial performance was not significantly impacted by inflationary factors.

(ii) Forward-Looking Risk Response Plan

Looking ahead, the Company will continue to closely monitor inflationary developments and remain attentive to cost fluctuations. As part of its risk management approach, the Company will maintain robust cost control practices and, where appropriate, implement strategic pricing adjustments to mitigate potential inflation-related impacts and safeguard overall profitability.

(2) Policies on high risk, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives trading, main reasons for the profits or losses generated thereby, and future response measures

The Company does not engage in high risk, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives trading.

The Company's policies for endorsement and guarantee and derivative trading are implemented in accordance with the relevant regulations and countermeasures stipulated in the Company's "Procedures for Lending Funds to Others", "Procedures for Endorsement and Guarantee", and "Procedures for Acquisition or Disposal of Assets". The Company will

continue to follow relevant regulations strictly to protect the Company's rights and interests.

(3) Future research and development (R&D) plan and estimated R&D expenses

As an information service provider, we take "adhering to innovation and creating value" as the corporate core spirit, especially focusing on the sales and operation in the e-commerce field. We believe that only by using network technology and application innovation can we continuously create more value, benefits and innovative use experience for our network users. This is why innovation in information services is a competitive niche for the Company.

All of our departments are able to create, manage and access the operational information involved in our workflow, with which they further provide optimized services.

Among them, the Product Service and Technology Development Department not only closely observes the global consumer trends and consumer demands in Taiwan, but actively incorporates new products and services into its operation model, implements R&D project management and execution progress, and effectively monitors and controls R&D progress to shorten the R&D time. In order to strengthen the R&D team, the Company continuously reviews the effectiveness of project implementation annually and formulates efficient training to improve the overall competence of the team, so that new product and service development has become the crucial factor in enhancing customer satisfaction and operation of the Company.

The Company is committed to continual innovation and improvement of internal operational processes. By reducing unnecessary manual tasks and enhancing process automation, we aim to streamline workflows and improve overall efficiency. Leveraging big data from sales records, the Company also analyzes and forecasts consumer behavior patterns to significantly enhance service quality and further strengthen competitive advantage.

Looking ahead, the Company's R&D plans will be developed based on evolving business needs, aligning with operational objectives, mid- to long-term strategic goals, and market positioning strategies. Our vision is to solidify our role as a leading provider of integrated internet services, thereby contributing to the overall competitiveness of the industry.

Key upcoming initiatives will focus on the development of new products, technologies, and system-based services, including but not limited to:

Project Title	Project Content
Automatic Product Classification and Attribute Labeling	In the past, the Company's product curation heavily relied on the familiarity of business personnel with the market, products, and seasonal customer groups. We established a large number of manually curated areas on the website and app. In the future, we plan to develop an automatic labeling system to classify products automatically and label them with identifiable attributes such as USB drive capacity, clothing size, and tableware material. This will enhance curation efficiency and significantly reduce manual operation costs.
Vector Search System	The current search system relies heavily on keyword-based semantic functions, which lack sufficient understanding of synonyms and homophones, resulting in imprecise search results and negatively affecting user experience. To improve search quality, it is recommended to introduce vector search technology. This technology uses machine learning models to convert text into vectors, effectively understanding semantic similarity and enhancing the relevance and accuracy of search results. After implementing vector search, it is expected to improve user satisfaction with search, increase product exposure, and drive overall sales growth.
RWD Renovation of Shopping Page and Building a Native APP	The Company is redeveloping its Android and iOS applications—originally based on WebView—using fully native architecture, in order to enhance the fluidity of user interactions and enable integration with a broader range of mobile hardware features. From a marketing perspective, this also supports the strategic shift of users from the web interface to the mobile app environment. In parallel, the Company is continuing to modernize its web platform by adopting responsive web design (RWD) principles and implementing the Next.js framework, with the goal of improving the user experience on handheld devices and enhancing search engine optimization (SEO) performance.
In-Site Single Product Advertising	A real-time keyword bidding system is planned to be developed, allowing suppliers and brand owners to

Project Title	Project Content
System	place product ads for specific keywords on the platform. This will provide brands with a new marketing channel to expose products in the right context, thereby increasing product visibility and conversion opportunities.
Rapid installation service for large domestic appliances	To enhance the competitiveness of large home appliance sales and provide consumers with a faster and more convenient installation experience, we have introduced a "next-day installation for large home appliances ordered before noon in the Taipei, New Taipei, and Taoyuan areas" service. This service integrates appliance installers' APIs to establish a real-time installation capacity scheduling platform, intelligently allocating installers based on popular time slots or regions to ensure timely installation services. This initiative is expected to increase sales conversion rates, strengthen brand image, and improve customer satisfaction.
5G Rewards Integration Program	To strengthen user loyalty for both Chunghwa Telecom's 5G subscribers and PChome customers, the Company has introduced a 5G loyalty rewards program that integrates P Coins and Hami Points. The initiative provides tiered incentives based on users' monthly spending levels, offering point-based rewards and enabling a two-way point conversion mechanism between the two systems. At the same time, the Company is actively expanding its reward point ecosystem by adding new redemption channels and increasing point value. For high-value users, exclusive offers and privileges are provided to boost retention, stimulate point circulation, and reinforce brand engagement and visibility across both platforms.
Dynamic Phone Number	To strengthen online privacy protection and enhance both data security and the overall customer experience, the Company proposes a collaboration with Chunghwa Telecom to implement disposable phone number technology within its delivery system. This solution would allow consumers to opt for a temporary phone number when interacting with sellers, thereby concealing their actual contact information during the shopping and delivery process. Such a

Project Title	Project Content
	<p>measure would not only reinforce consumer confidence in the platform, but also mitigate the risk of personal data breaches.</p> <p>Additionally, by promoting awareness of data protection practices, the Company can help foster a safer and more trusted online shopping environment that prioritizes both convenience and privacy.</p>
Smart Layer: Consumer Data Infrastructure Plan	<p>To build a stronger foundation for data utilization, the Company is adopting visual workflow tools to streamline the collection, transformation, and loading (ETL) of consumer behavior data. This initiative lays the groundwork for future applications such as interactive dashboards, targeted advertising, and traffic performance optimization.</p> <p>By utilizing visualized tools, the Company can more effectively extract, clean, and unify data, leading to the creation of a high-quality, centralized data warehouse. This improved data infrastructure will significantly enhance analytical capabilities and support more accurate and agile business decision-making.</p>

- (4) Effect of changes in policies and regulations at home and abroad on the Company's financial operations and response measures

The Company conducts all business operations in accordance with the applicable laws and regulations set by regulatory authorities. As of the most recent fiscal year and up to the date of publication of this annual report, the Company has not been materially affected by any significant changes in domestic or international policies or laws that would impact its financial condition or business operations.

- (5) Impacts of technological changes (including cyber security risks) and industry changes on the Company's financial operations and measures to address them

The Company remains committed to strengthening its R&D capabilities and actively exploring new product and business development opportunities driven by technological advancement. To stay competitive in a rapidly evolving landscape, the Company not only continues to increase investment in innovation, but also upholds a flexible and well-managed financial strategy to adapt to emerging technologies and better serve customer demands.

① In line with Group's overall development strategy and development trends of domestic e-commerce retail market, the major development of PChome 24h Shopping in 2024 are as follows:

(i) Domestic e-commerce

Adhering to its core value of "customer-first," PChome continued to promote "meaningful changes," bringing actual innovation to consumers, suppliers, and partners. PChome's B2C e-commerce business focused on enhancing the core service value of 3C appliances and strengthening the breadth and completeness of general merchandise categories, while also deepening member engagement and platform differentiation through cross-industry alliances and the launch of innovative OMO services, actively reshaping our brand image and integrating into consumers' daily lives.

Currently, PChome 24h Shopping is not only the sole authorized distributor of the entire Apple product line among Taiwanese e-commerce platforms and the preferred launch platform for major 3C brand new products but also continues to collaborate with well-known manufacturers to establish official flagship stores. This year, we exclusively launched the "Pokémon Store," an official online flagship store for Pokémon, and partnered with the Asian multinational crowdfunding platform MYFEEL to create a flagship store for crowdfunding.

In terms of enhancing platform service capabilities, following the introduction of the industry's first "Onsite Installation Service Center" and "Extended Warranty Service for Large Domestic Appliances" in 2023, this year saw the launch of "Rapid Installation for Large Domestic Appliances" and "Laptop Extended Warranty Service." Additionally, the original "Trade-in for Phones" service was upgraded to a "3C Trade-in " service, providing more comprehensive and improved pre-sale and after-sale value-added services.

Meanwhile, a comprehensive overhaul and optimization of both the mobile app and web versions were carried out, focusing on enhancing the end-to-end shopping experience from browsing, searching, selecting, to checkout. Several new features were introduced, including the newly launched "image search" and "intelligent customer service," further improving convenience and service quality for consumers.

(ii) Cross-border e-commerce

In recent years, overseas cross-border shopping has become an integral part of daily consumption habits for consumers in Taiwan, with market demand and scale continuing to rise. Bibian, the Group's only platform dedicated to Japanese cross-border proxy bidding and purchasing, has demonstrated steady growth in both business scale and profitability. Since its official launch in October 2019, Bibian has upheld its core value of "Zero Risk with Five Shopping Guarantees," including: the industry's lowest air freight rates, automatic air shipping of eligible items to Taiwan without the need for consolidated shipping, customs clearance handled on behalf of the customer, full compensation for damaged or undelivered items, and a transparent pricing structure. All aimed at providing a secure and worry-free cross-border shopping experience.

In June 2024, Bibian launched a new and exclusive partnership with FamilyMart, setting up the "Bibian Japanese Goods Zone" within FamilyMart's membership app. Leveraging the app's over ten million downloads, the 24-hour convenience store model, and a network of over 4,200 physical stores, this unprecedented cross-border shopping service via convenience stores successfully reached new customer segments, driving a 1.35-fold increase in Bibian's total membership. Later in September, Bibian partnered with "Rakuten Rakuma," a secondhand goods platform under Japan's Rakuten Group, to upgrade the "Bibian Japanese Goods Zone" with a wider selection of premium secondhand items, bringing Taiwanese consumers a more diverse and convenient cross-border shopping experience.

(iii) Fintech

In recent years, the Group has actively expanded its fintech business. The current services include mobile payment through Pi Wallet, installment payment tools such as GoGoPay and PayLater, a comprehensive payment service platform, Tappay, and online insurance, e-Insure. Under a strategic alliance structure, the Group integrates cross-industry resources and core service advantages to offer diverse digital financial services and continue driving the innovation and development of fintech in Taiwan. The fintech subsidiary, 21st Financial Technology Co., Ltd. (21st FinTech), has disrupted traditional consumption models since launching the industry's first "iPhone

Subscription Plan” in 2022, and has continued to expand the subscription economy. In 2023, 21st FinTech partnered with ASUS to introduce a “Laptop Subscription Plan,” and collaborated with Chunghwa Telecom to become the first telecom operator in Taiwan to offer the “iPhone for Life” subscription service, setting a new industry benchmark. In 2024, 21st FinTech expanded its partnerships further, teaming up with GIANT to launch the market’s first “Bicycle Subscription Plan” and again partnering with Data Express to roll out the “iPhone Subscription Plan.” These initiatives have broadened the range of subscription-based products to meet diverse consumer needs. Overall, the fintech business has demonstrated robust growth and profitability, and will continue to scale up applications in innovative payments and the subscription economy to enhance the consumer experience.

② Technical level and research and development

Having been deeply engaged in the field of e-commerce industry for many years, PChome has a sound R&D team. The R&D and design of all innovative programs are developed by the Company's technical department and designed by in-house engineers. The R&D team receives regular training to improve the overall professional quality in order to respond to the rapidly changing e-commerce market and make the most forward-looking services and products. The R&D achievements concentrate on online shopping process systems in connection with Internet services, front-end systems for Internet services, and back-end administrative systems. In contrast to other domestic websites who purchase most of the software systems required from overseas vendors or obtain their licenses, the Company's engineers develop most of our Internet service-related systems, including the integration of supplier development and management, product information management, payment flow/logistics and customer service, logistics and warehousing systems, big data applications and customer cross-selling, etc. In order to integrate the ecommerce industry chain and take a step further to establish an ecosystem, the Group has recently been actively integrating various service advantages, deeply applying big data, artificial intelligence and the Internet of Things and other forward-looking technologies, focusing on service innovation, creating cross-domain integrated services, enhancing the Group's operation performance. Some of the systems among the R&D projects have obtained patents or are in the process of submitting patent applications.

③ Cyber Security Risk Assessment Analysis

The Company has established a complete network and computer security protection system to manage and control the important corporate functions, such as operations, database security management, and financial accounting. However, there is no guarantee that the system can fully prevent cyberattacks from third parties, which could potentially paralyze operations. These cyberattacks breach the Company's internal network systems, damaging operations and goodwill of the Company. The Company's systems may lose important information due to serious cyberattacks, and the database might be suspended indefinitely as a result of the unsolved problems. Malicious hackers may attempt to illegally acquire confidential information such as sensitive business data or personal information. They may also try to introduce computer viruses, destructive software, or ransomware into the network system to disrupt its operations, requiring the Company to pay ransom to regain control of its compromised systems, or access confidential information. These attacks may result in the Company being obligated to compensate customers for any delays or interruptions experienced during shopping, incurring substantial expenses related to implementing remedies and enhancing the Company's internet security systems, or assuming significant legal responsibilities arising from involvement in litigation or regulatory investigations regarding breaches of confidentiality obligations towards customers or third-party information.

Response measures:

1. Conducting annual reviews and evaluations of its network safety rules and procedures to ensure their adequacy and effectiveness.
2. Conducting annual incident reporting drills and email social engineering.
3. Organizing regular information security audits every year to facilitate continuous improvement and mitigate information security risks.
4. Expanding information security functions and providing educational training to cultivate the necessary information security talent.
5. Proactively identifying weaknesses in the website system through attack and defense drills and undertaking timely remediation of identified weaknesses.

In 2024, up to the date of publication of this annual report, the Company has not identified any significant cyberattacks or incidents that have or may have a material adverse impact on the business and operations of the Company, nor has the Company been involved in any litigation or regulatory investigations.

- (6) The impacts of change of corporate image on the business crisis management and the response measures: None.
- (7) Expected benefits from merger and acquisition, possible risks and response measures

The Company had neither mergers nor acquisitions in the most recent year up to the date of publication of this annual report. Therefore, this is not applicable.

- (8) The expected benefits, potential risks and response measures of any plant expansion: The Company is not a manufacturer. Therefore, this is not applicable.
- (9) Risks of concentrated sources of sales or purchases: The Company does not have concentrated sources of sales or purchases.
- (10) Impact and risks relating to major equity transfer or exchange events involving Directors, Supervisors, or major shareholders holding more than 10% of the Company's shares

The Company had no major equity transfer involving Directors, Supervisors, or major shareholders holding more than 10% of the Company's shares in the most recent year up to the date of publication of this annual report.

- (11) Impact and risks relating to changes in ownership

The circumstance did not occur in the most recent year up to the date of publication of this annual report.

- (12) For litigations or non-litigations which involve the Company, Directors, Supervisors, General Manager, de facto person in charge, major shareholders holding more than 10% of the Company's shares and affiliates, the litigation, non-litigious proceedings, or administrative dispute shall be disclosed. If the outcome might have significant impacts on the interests of shareholders or share prices, the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case up to the date of publication of this annual report shall be disclosed.

The aforementioned circumstance did not occur in the most recent year up to the date of publication of this annual report.

(13) Other significant risks and response measures

① Risk management policy

The Company's risk management policy is centered on establishing a comprehensive framework that enables the early identification, accurate assessment, effective monitoring, and strict control of risks. Through an integrated risk management system, the Company promotes a risk-aware approach to business operations, ensuring that risks are maintained within acceptable limits. This approach aims to maximize shareholder value by balancing risk and opportunity across all aspects of the organization.

② Risk management framework

The Company classifies its risks into three aspects: management, safety and health, and information security. The Company's risk management and risk response organization are structured based on these aspects. The General Manager is the chief coordinator, who is in charge of promoting and executing risk management plans. Business units are competent units in charge of managing and responding to each risk.

Management Unit: The allocation and response to human resources, evaluation of financial risks, implementation of various insurance operations, maintenance of system operation, establishment and maintenance of environmental safety and health, the review and establishment of the regulations, and media relations and public relations.

CEO Office: Responsible for planning business decisions and assessing the effectiveness of medium and long-term investments to reduce the strategic risks.

Audit Office: Responsible for revising and promoting internal control systems so as to strengthen the internal control functions and to ensure its continued effectiveness.

Legal Department: Responsible for legal risk management, including the review, drafting, negotiation and management of contracts, the Company's legal compliance and legality assessment of decisions, and management of intellectual property, litigations, and non-litigations, so as to reduce legal risk.

Financial Unit: Responsible for the fund management and utilization and establishing hedging mechanisms to reduce financial risks; complying with relevant laws and regulations to ensure the reliability of financial reporting so as to reduce accounting risks.

IT Service Unit: To maintain and manage systems, network, computers, hosts and related peripherals; integrate, utilize and develop automated systems and software to reduce network and information security risks.

Marketing Unit: Responsible for formulating product and market promotion strategies and grasping market trends to reduce market risks.

Operation Unit: Responsible for carrying out the Company's annual business goals and execution plans, providing customers with shipment, collections, customer complaints and return services, and establishing customers' credit line in order to reduce business risks.

7. Other Significant Matters: None

Chapter 6. Special Disclosure

1. Information on Affiliated Enterprises:

Please refer to Market Observation Post System, Affiliate Reports Section:

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

2. Private Placement Securities in the Most Recent Fiscal Year up to the Publication Date of This Annual Report:

Please refer to the link of the Market Observation Post System (MOPS):

<https://mops.twse.com.tw/mops/#/web/home> Home > Thematic Section > Investment Area > Private Placement Area

3. Other Matters that Require Additional Description

(I) Our affiliates do not trade derivatives.

(II) The Company has no commitments to TPEX yet to be fulfilled.

4. Matters that have significant impact on shareholders' rights or securities prices as set out in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act in the recent year up to the date of publication of the annual report: None

PChome Online Inc.

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