



Ticker: 8044

# PChome Online Inc.

## 2025 Shareholders' Meeting Handbook

(Translation)

Date: June 25, 2025

Location: No. 11, Zhongshan South Road, Zhongzheng District,  
Taipei City, Taiwan (R.O.C.)  
(Room 1002, Chang Yung-Fa Foundation International Convention  
Center)

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## PChome Online Inc.

### Procedure for 2025 Annual Shareholders' Meeting

- I. Calling the meeting to order
- II. Chairman's remarks
- III. Report Items
- IV. Ratification Items
- V. Discussion Items
- VI. Election Items
- VII. Other proposals
- VIII. Special Motions
- IX. Meeting adjourned

PChome Online Inc.

Agenda of 2025 Annual Shareholders' Meeting

Time: 9:00 a.m., Wednesday, June 25, 2024.

Location: No. 11, Zhongshan South Road, Zhongzheng District, Taipei City  
(Room 1002, Chang Yung-Fa Foundation International Convention Center)

- I. Call the meeting to order (announce the number of shares in attendance)
- II. Chairman's remarks
- III. Report Items
  - (I) 2024 Business Report.
  - (II) Audit Committee's Review Report of 2024 Financial Statements.
  - (III) 2024 Private Placement Report
- IV. Ratification Items
  - (I) 2024 Business Report and Financial Statements.
  - (II) Adoption of the Proposal for 2024 Deficit Compensation.
- V. Discussion Items
  - (I) Amendment to the Company Corporate Charter (Articles of Incorporation).
- VI. Election Items  
Proposal of By-election of Directors.
- VII. Other proposals  
Proposal for Release of Directors from Non-Compete Restrictions
- VIII. Special Motions
- IX. Meeting adjourned



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Report Items
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(I) 2024 Business Report.

Explanatory Notes: Please refer to Attachment I (Page10 of this meeting handbook) for the Company's 2024 Business Report.

(II) Audit Committee's Review Report of 2024 Financial Statements.

Explanatory Notes: Certified Public Accountants of KPMG, Pearl Chen and Lillian Lien, audited the Company's 2024 parent company only and consolidated financial statements. The Audit Committee reviewed the business report, Deficit Compensation Statement, and aforementioned financial statements with review report issued. Please refer to Attachment II (Page 14 of this meeting agenda) for details.

(III) 2024 Private Placement Report

The report on the implementation of the private placement of common shares approved by the Company's 2024 extraordinary general meeting of shareholders, Please refer to Attachment III (page 15)

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Ratification Items
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**Proposal 1: (Proposed by the Board of Directors)**

Subject: 2024 Business Report and Financial Statements.

Explanatory Notes:

1. The 2024 parent company only and consolidated financial statements of the Company were prepared and had been audited by Certified Public Accountants of KPMG, Pearl Chen and Lillian Lien with an independent auditors' report issued. The financial statements along with the business report had been reviewed by the Audit Committee and approved in the Board of Directors' meeting.
2. Please refer to Attachment I and IV (Pages 10 and 17 of this meeting handbook) for the 2024 business report, independent auditors' report and aforementioned financial statements.
3. Please ratify.

Resolution:

## Proposal 2: (Proposed by the Board of Directors)

Subject: Adoption of the Proposal for 2024 Deficit Compensation.

Explanatory Notes:

1. For 2024, the beginning balance of the Company's deficit to be compensated was NT\$0. After accounting for the net profit (loss) of NT\$(576,325,397) and adding other comprehensive income of NT\$5,530,642, the accumulated deficit to be compensated amounted to NT\$(570,794,755). Due to the deficit recorded for the year, no earnings distribution will be made. Only the deficit compensation statement is presented as follows.
2. Please discuss:

PChome Online Inc.			
2024 Deficit Compensation Statement			
Unit: NT\$			
	Item	Amount	Total
	<b>Beginning balance</b>		0
	<b>Change during the year</b>		
Less:	Net profit (loss) of 2024	(576,325,397)	
Add:	Other comprehensive income of 2024	5,530,642	Note 1
	Subtotal		(570,794,755)
	<b>Unappropriated earnings, end of the period</b>		(570,794,755)
Chairman: Hung-Tze Jan		Manager: Yu-Shan Chang	Accounting Officer: Evian Chang

Note 1:

Impact amount	PChome Online Inc.
Actuarial gains and losses on labor retirement reserve fund	6,913,302
Income tax effect	(1,382,660)
<b>Total</b>	<b>5,530,642</b>

Resolution:

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

Subject: Amendments to the Company Corporate Charter (Articles of Incorporation), please discuss.

- Explanatory Notes:
1. According to the Financial Supervisory Commission's directive No. 1130385442 dated November 8, 2024, TWSE/TPEX listed companies are required to amend their Articles of Incorporation in accordance with this provision no later than their 2025 shareholders' meeting. In subsequent fiscal years (including 2025), if the company has earnings, it must allocate employee compensation or adjust salaries for junior employees based on the allocation ratios stipulated in the amended Articles.
  2. As stated in the directive, junior employees refer to those who are not managerial officers and whose salary levels fall below a certain threshold. This “threshold” should be determined by the company based on its operational status and industry characteristics. The company intends to adopt the salary level defined under the "Regulations Governing the Deduction of Increased Salary Expenses for SMEs" as the standard for junior employees.
  3. The comparison table of provisions before and after the amendments is as follows. Request for discussion and resolution.

Resolution:

After the Amendment	Before the Amendment	Description
<p>Article 28:</p> <p>When the Company makes a profit for the year, the compensation to employees shall be between one to fifteen percent of the balance and the remuneration to the Directors shall not be higher than one point five percent of the balance. <u>Of the amount allocated for employee compensation, at least 30% shall be used for salary adjustments or compensation distribution to junior employees.</u> If the Company has an accumulated deficit, the profit shall cover the deficit before it can be distributed. Parties eligible to receive the said compensation in the form of stock or cash shall include employees in the controlling or affiliated companies who met certain conditions.</p>	<p>Article 28:</p> <p>When the Company makes a profit for the year, the compensation to employees shall be between one to fifteen percent of the balance and the remuneration to the Directors shall not be higher than one point five percent of the balance.</p> <p>However, if the Company has an accumulated deficit, the profit shall cover the deficit before it can be distributed. Parties eligible to receive the said compensation in the form of stock or cash shall include employees in the controlling or affiliated companies who met certain conditions.</p>	<p>In accordance with the Financial Supervisory Commission's directive No. 1130385442 dated November 8, 2024, a new requirement has been added stipulating the proportion of employee compensation that must be allocated to junior employees.</p>
<p>Article 31: The Articles of Incorporation was established on June 25, 1998. The first amendment was made on November 16, 1998. (Omitted) The eighteenth amendment was made on June 13, 2018. The nineteenth amendment was made on June 14, 2019. The twentieth amendment was made on June 24, 2020. <u>The twenty-first amendment was made on June 19, 2024. The twenty-second amendment was made on December 19, 2024. The twenty-third amendment was made on June 25, 2025.</u></p>	<p>Article 31: The Articles of Incorporation was established on June 25, 1998. The first amendment was made on November 16, 1998. (Omitted) The eighteenth amendment was made on June 13, 2018. The nineteenth amendment was made on June 14, 2019. The twentieth amendment was made on June 24, 2020. <u>The twenty-first amendment was made on June 19, 2024. The twenty-second amendment was made on December 19, 2024.</u></p>	<p>To add the amendment date.</p>

**Proposal 1: (Proposed by the Board of Directors)**

Subject: Proposal of By-election of Directors.

Explanatory Notes:

1. The directors, Alice Chang and Bruce Chou tendered their resignations on March 17, 2025, effective March 31, 2025. To fill the resulting vacancies, two directors are proposed to be elected at this annual shareholders' meeting.
2. In accordance with the Company's Articles of Incorporation, which stipulate a total of nine directors, two directors are proposed to be elected at this annual shareholders' meeting using the candidate nomination system in accordance with the Company's Director Election Methods.
3. The term of office for the directors elected in this by-election shall commence on June 25, 2025, and end on June 18, 2027, completing the original term.
4. Please refer to Appendix 3 (page 45 of this manual) for the Company's "Director Election Methods".

## Candidates for the Election of Directors

Shareholders' Account/ID	Director Nominee	Education/Experience
68792	Uni-President Enterprises Corp. (Legal Representative) Chen-Te Lin	Master's Degree, Business Administration, National Taiwan University Master's Degree, Department of Law, National Chengchi University Managing Director and Senior Vice President, Yahoo! Taiwan Inc. Head of digital business development center, President Chain Store Corporation Director, PAYUNi co. Ltd.
68792	Uni-President Enterprises Corp. (Legal Representative) Chang-Hsi Hu	Department of Mechanical Engineering, Nanya Institute of Technology President, Retail Support International Corporation Chief Logistics Officer, President Chain Store Corporation Director of: Retail Support International Corporation, Uni-President Cold-Chain Corp., Wisdom Distribution Service Corp., President Transnet Corp., President Collect Service Corp. President Logistic ShanDong Co., Ltd.

5. Please elect.

Election results:

**Proposal 1: (Proposed by the Board of Directors)**

Subject: Release of Directors from Non-Compete Restrictions.

Explanatory Notes:

1. In accordance with Article 209 of the Company Act, a director who, for his own account or for the account of another person, engages in an act within the business scope of the Company shall explain to the shareholders' meeting the important content of his act and obtain their approval.
2. To make use of the expertise and relevant experience of the directors of the Company, it is proposed to the shareholders' meeting to approve the lifting of the non-competition restrictions on the newly elected directors and their representatives.
3. The list of new directors has held offices of other companies as follows for discussion.

Position	Name	Currently holds positions in the Company and other companies
Director (legal representative)	Chen-Te Lin	Head of digital business development center, President Chain Store Corporation Director, PAYUNi co. Ltd.
Director (legal representative)	Chang-Hsi Hu	Chief Logistics Officer, President Chain Store Corporation Director of: Retail Support International Corporation, Uni-President Cold-Chain Corp., Wisdom Distribution Service Corp., President Transnet Corp., President Collect Service Corp. President Logistic ShanDong Co., Ltd.

Resolution:

Special Motions

Meeting  
adjourned

## **PChome Online Inc. 2024 Business Report**

Attachment I

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

### **I. 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.

## **II. 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.

### **III. 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.

### **IV. 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.

### **V. 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.

## **VI. 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 Yu-Shan Chang  
Accounting Officer: Evian Chang

## PChome Online Inc. Audit Committee's Review Report

Approval for

The Board of Directors has prepared the Company's parent company only and consolidated financial statements for 2024, which were audited by certified public accountants of KPMG, Pearl Chen and Lillian Lien. The aforementioned financial statements, along with 2024 Business Report and Deficit Compensation proposal, have been reviewed and determined to be correct by the Audit Committee. We hereby submit this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

the Company's 2025 Annual Shareholders' Meeting

Convener of the Audit Committee

He Chen dan

Mar 25, 2025

### Attachment III

Iteam	The first private placement will be approved at the 2024 shareholders' extraordinary meeting Release Date: January 9, 2025				
Types of Private Placement Securities	Common Stock				
Date and Amount Approved by the Shareholders Meeting	The Company approved at its extraordinary shareholders meeting on December 19, 2024 that the total number of common shares to be issued through private placement shall not exceed 61,694,120 shares, and shall be processed once or in installments within one year from the date of the shareholders meeting resolution. This fundraising will issue 61,694,120 shares.				
Basis and Reasonableness of Price Setting	The subscription price of the common shares in this private placement is determined by calculating the simple arithmetic average of the closing prices of the common shares for the thirty business days before the pricing date, deducting the ex-rights and dividends of the free allotment, and adding back the ex-rights of the capital reduction, whichever is higher, as the reference price. The actual subscription price of the private placement common stock is intended to be no less than 80% of the reference price. The subscription price of the aforementioned private placement common stock is based on the company's stock price and complies with the provisions on matters that public companies should pay attention to when handling private placement of securities, so it should be reasonable.				
Method of Selection of Specific Persons	The selection of applicants shall be conducted in accordance with Article 43-6 and related provisions of the Securities and Exchange Act. The fund is raised from qualified strategic investors who can strengthen the company's operations, expand the scope of e-commerce operations, and enhance the company's competitiveness through the necessary technology, capital or business.				
Necessary reasons for conducting private placements	Considering the capital market conditions, the timeliness, feasibility, and issuance costs of raising capital, and perhaps to introduce strategic investors in response to the company's development, the transfer restrictions on private placement securities can ensure the long-term cooperative relationship between the company and the strategic investors and enhance the stability of the company's operations, so private placements are used to raise funds.				
Payment completion date	2025.01.22				
Applicant Information	Private placement	Qualification conditions	Subscription quantity	Relationship with the	Participation in the

	target			company	company's operations
	Uni-President Enterprises	Corporation Article 43-6, Paragraph 1, Item 2 of the Securities and Exchange Act	61,694,120 shares	None	None
Actual subscription (or exchange) price	NT\$40 per share.				
Difference between actual subscription (or exchange) price and reference price	The actual subscription price of NT\$40 per share is 81% of the reference price of NT\$49.22				
The impact of private placement on shareholders' equity (e.g. causing an increase in accumulated losses...)	The number of shares issued in this private placement is 61,694,120 shares, with a total private placement amount of approximately NT\$2,467,764,800. It is issued at a premium, which increases the company's share capital and capital reserves, and the proportion of shareholders' equity to assets in the first quarter of 2015 increased compared to the fourth quarter.				
Private placement fund utilization and plan execution progress	<p>1. The funds raised this time are expected to be used for one or more purposes such as investing in technologies related to e-commerce products, replenishing working capital, improving financial structure and/or supporting other funding needs for the long-term development of the Company.</p> <p>2. In the first quarter of 2025, the Company will use private placement funds to improve its financial structure.</p>				
The benefits of private placement are evident	In order to plan for long-term strategic development and integrate cross-industry resources, we will introduce investors to strengthen the development experience and resources of logistics services, big data and artificial intelligence technology, and use data as the core to drive the long-term development of the group.				



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## Attachment IV

### Independent Auditors' Report

To the Board of Directors of PChome Online Inc.:

#### Opinion

We have audited the financial statements of PChome Online Inc. ("the Company"), which comprise statements of financial position as of December 31, 2024 and 2023, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the year ended December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Impairment assessment of investments accounted for using equity method

Please refer to Note (4)(m) "impairment of non-financial assets" for the accounting policy, Note (5) for "significant accounting estimates", and Note (6)(e) for the information about impairment assessment of investments accounted for using equity method.

#### Description of key audit matter:

Part of the amount of investment accounted for using equity method of the Company from equity transactions is measured as its recoverable amount based on its forecasts of future operations and discounted future cash flows. Due to the complexity and high uncertainty of the estimation process, which involves subjective judgments made by management and is a critical accounting estimation, we determine the impairment assessment of the investments accounted for using equity method as one of the most important matters.



Audit procedures to address the matter:

Understand the process of impairment assessment by management, assess the reasonableness of the impairment model and the cash generating units identified by management.

Compare management's past estimates with actual results to assess the reasonableness of management's estimates.

Assess the reasonableness of the significant assumptions used in the impairment model, including the expected growth rate and discount rate. Perform the following: (1) verify the parameters and calculation formulas of the valuation model, (2) compare the expected growth rate with historical results, economic and industrial forecasts, and (3) engage internal experts to assist in assessing the reasonableness of the valuation model and the corresponding discount rate used by the management in estimating the value in use, and to reperform and verify the calculations.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.





3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investees accounted for using the equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit, as well as forming the audit opinion on the Company.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chen, Yi-Chun and Lien, Shu-Ling.

KPMG

Taipei, Taiwan (Republic of China)

March 12, 2025

#### **Notes to Readers**

The accompanying parent company only financial statements are intended only to present the parent company only financial statements of financial position, financial performance and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditor's report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditor's report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements and Report Originally Issued in Chinese)  
PCHOME ONLINE INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		2024.12.31		2023.12.31		2024.12.31		2023.12.31	
		Amount	%	Amount	%	Amount	%	Amount	%
ASSETS									
Current Assets:									
1100	Cash and cash equivalents (Note (6)(a))	\$ 1,715,781	10	1,992,019	11	2100	LIABILITIES AND EQUITY		
1172	Accounts and notes receivable, net (Note (6)(c))	341,602	2	531,482	3	2130	Current Liabilities:		
1180	Accounts receivable due from related parties, net (Notes (6)(c) and (7))	43,341	-	372,117	2	2170	Short-term borrowings (Note (6)(i))	\$ 300,000	2
1200	Other receivables (Notes (6)(c) and (7))	700,632	4	288,521	2	2200	Current contract liabilities (Note (6)(j))	357,256	2
1300	Inventories (Note (6)(d))	2,129,019	12	1,739,439	9	2230	Accounts and notes payable	3,063,494	17
1476	Other current financial assets (Note (8))	48,394	-	403,018	2	2280	Other payables	619,459	4
1479	Other current assets, others	98,245	1	109,689	1	2300	Current tax liabilities	19,736	-
							Current lease liabilities (Note (6)(n))	417,970	2
							Other current liabilities (Note (6)(k))	43,251	-
							Long-term liabilities, current portion (Notes (6)(l) and (m))	1,678,344	10
								6,499,510	37
								4,909,606	27
Non-Current Assets:									
1517	Non-current financial assets measured at fair value through other comprehensive income (Note (6)(b))	540,253	3	673,193	4		Long-term liabilities	1,755,686	10
1550	Investments accounted for using equity method (Note (6)(e))	5,968,661	33	5,881,638	32	2541	Long-term borrowings (Note (6)(l))	82,150	-
1600	Property, plant and equipment (Note (6)(a))	1,802,717	10	1,492,727	8	2550	Provisions	-	-
1755	Right-of-use assets (Note (6)(b))	3,749,135	21	4,418,804	24	2570	Deferred tax liabilities (Note (6)(p))	9,275	-
1780	Intangible assets (Note (6)(c))	106,374	1	37,788	-	2580	Non-current lease liabilities (Note (6)(n))	3,662,952	21
1840	Deferred tax assets (Note (6)(p))	54,391	-	53,493	-	2670	Other non-current liabilities, others	22,211	-
1930	Long-term receivables (Note (6)(c))	97,655	1	-	-		Total liabilities	5,532,274	31
1980	Other non-current financial assets (Note (8))	358,367	2	326,926	2		Equity (Note (6)(q)):	6,971,237	38
1990	Other non-current assets, others	47,483	-	57,283	-		Ordinary share	12,031,784	68
							Capital surplus	1,439,529	8
							Retained earnings	5,052,998	28
							Other equity interest	(591,523)	(3)
							Treasury shares	79,764	-
							Total equity	(210,502)	(1)
							Total liabilities and equity	5,770,266	32
								17,802,050	100
								18,378,137	100
Total assets		\$ 17,802,050	100	18,378,137	100				

The accompanying notes are an integral part of the financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese.)

**PCHOME ONLINE INC.**

**STATEMENTS OF COMPREHENSIVE INCOME**

**For the Years Ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

		2024		2023	
		Amount	%	Amount	%
4111	Sales revenue	\$ 34,649,769	102	38,467,375	101
4170	Less: Sales returns	560,968	2	520,859	1
	Operating revenue, net (Notes (6)(t) and (7))	34,088,801	100	37,946,516	100
5000	Operating costs (Notes (6)(d) and (7))	30,774,240	90	34,246,325	90
	Gross profit from operations	3,314,561	10	3,700,191	10
	Operating expenses:				
6100	Selling expenses	3,368,464	10	3,760,162	10
6200	Administrative expenses	235,844	1	312,412	1
6300	Research and development expenses	363,157	1	407,019	1
6450	Reversal of expected credit loss (Note (6)(c))	(476)	-	(64)	-
	Total operating expenses	3,966,989	12	4,479,529	12
	Net operating loss	(652,428)	(2)	(779,338)	(2)
	Non-operating income and expenses (Note (6)(v)):				
7100	Interest income	31,849	-	30,901	-
7010	Other income	30,705	-	7,708	-
7020	Other gains and losses	(2,749)	-	25,695	-
7050	Finance costs	(135,012)	-	(106,609)	-
7060	Share of profit on investment accounted for using equity method	151,344	-	92,116	-
	Total non-operating income and expenses	76,137	-	49,811	-
	Loss from continuing operations before tax	(576,291)	(2)	(729,527)	(2)
7950	Less: Income tax expenses (benefit) (Note (6)(p))	34	-	(69,628)	-
	Net Loss	(576,325)	(2)	(659,899)	(2)
	Other comprehensive (loss) income:				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	6,913	-	(440)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(132,940)	-	83,799	-
8330	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(20,728)	-	5,557	-
8349	Income tax related to components of other comprehensive income (loss) that will not be reclassified to profit or loss (Note (6)(p))	(1,383)	-	88	-
	Items that may not be reclassified subsequently to profit or loss	(148,138)	-	89,004	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign statements	1,672	-	(17,542)	-
8399	Income tax related to components of other comprehensive income (loss) that will be reclassified to profit or loss	-	-	-	-
	Items that may be reclassified subsequently to profit or loss	1,672	-	(17,542)	-
	Other comprehensive (loss) income, net of tax	(146,466)	-	71,462	-
8500	Total comprehensive loss	\$ (722,791)	(2)	(588,437)	(2)
	Earnings per share (Note (6)(s))				
9750	Basic earnings per share (in New Taiwan Dollars)	\$ (4.08)		(5.01)	

The accompanying notes are an integral part of the financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese.)  
PCHOME ONLINE INC.

STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

	Share capital	Other Equity Interest					
		Retained Earnings (Accumulated Deficits)		Exchange Differences on Translation of Foreign Statements		Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	
	Ordinary Capital	Capital Surplus	Legal Reserve	Unappropriated Retained Earnings	Unearned Employee Compensation	Treasury shares	Total Equity
<b>Balance at January 1, 2023</b>	\$ 1,281,629	5,011,096	54,113	94,880	(9,252)	(210,502)	6,377,988
Net loss for the year ended December 31, 2023	-	-	-	(659,899)	-	-	(659,899)
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	(605)	(17,542)	-	71,462
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	(660,504)	(17,542)	-	(588,437)
Capital increase by cash	160,000	485,850	-	-	-	-	645,850
Changes in ownership interests in subsidiaries	-	65,128	-	-	-	-	65,128
Share-based payment transactions	(2,100)	(1,156)	-	-	-	41	(3,215)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	7,828	-	-	-
<b>Balance at December 31, 2023</b>	1,439,529	5,560,918	54,113	(557,796)	(26,794)	(210,502)	6,497,294
Net loss for the year ended December 31, 2024	-	-	-	(576,325)	-	-	(576,325)
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	5,530	1,672	-	(146,466)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	(570,795)	1,672	-	(722,791)
Appropriation and distribution of retained earnings:							
Legal reserve used to offset accumulated deficits	-	-	(54,113)	54,113	-	-	-
Other changes in capital surplus:							
Capital surplus used to offset accumulated deficits	-	(503,683)	-	503,683	-	-	-
Changes in ownership interests in subsidiaries	-	(4,237)	-	-	-	-	(4,237)
<b>Balance at December 31, 2024</b>	\$ 1,439,529	5,057,998	-	(570,795)	(25,122)	(210,502)	5,770,266

The accompanying notes are an integral part of the financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese.)

**PCHOME ONLINE INC.**

**STATEMENTS OF CASH FLOWS**

**For the years ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

	2024	2023
<b>Cash flows from (used in) operating activities:</b>		
Net loss before tax	\$ (576,291)	(729,527)
Adjustments:		
Adjustments to reconcile profit or loss:		
Depreciation expense	694,570	763,116
Amortization expense	30,113	38,355
Reversal of expected credit loss	(476)	(64)
Interest expense	135,012	106,609
Interest income	(31,849)	(30,901)
Dividend income	(4,829)	(2,581)
Share-based compensation	-	3,083
Share of profit of subsidiaries, affiliates and joint ventures accounted for using equity method	(151,344)	(92,116)
Gain on disposal of property, plant and equipment	(922)	(7,762)
Loss on disposal of investments accounted for using equity method	-	4,261
Gains on lease modification	(281)	(28,749)
Total adjustments to reconcile profit	669,994	753,251
<b>Changes in operating assets and liabilities:</b>		
Changes in operating assets:		
Accounts and notes receivable	519,132	15,178
Other receivables	103,817	105,733
Inventories	(389,580)	221,261
Other current assets	11,443	(26,231)
Other non-current assets	(4,284)	(1,612)
Total changes in operating assets	240,528	314,329
Changes in operating liabilities:		
Contract liabilities	(66,668)	(34,452)
Accounts and notes payable	(16,315)	(729,244)
Other payables	(136,403)	(39,093)
Other current liabilities	(69)	(6,879)
Other non-current liabilities	12,121	4,700
Total changes in operating liabilities	(207,334)	(804,968)
Total changes in operating assets and liabilities	33,194	(490,639)
<b>Total adjustments</b>	703,188	262,612
Cash flow generated from (used in) operations	126,897	(466,915)
Interest received	31,107	31,937
Dividends received	4,829	2,581
Interest paid	(134,266)	(98,892)
Income taxes (paid) refunded	(2,554)	10,837
<b>Net cash flows from (used in) operating activities</b>	26,013	(520,452)
<b>Cash flows from (used in) investing activities:</b>		
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	-	28,916
Acquisition of investments accounted for using equity method	(10,000)	(587,239)
Proceeds from disposal of investments accounted for using equity method	-	147,405
Dividends received from investments accounted for using equity method	20,464	278,313
Proceeds from return of capital of investments accounted for using equity method	26,848	-
Proceeds from liquidation of investments accounted for using equity method	3,716	-
Acquisition of property, plant and equipment	(560,626)	(827,939)
Proceeds from disposal of property, plant and equipment	1,589	9,845
Other receivables due from related parties	(350,000)	350,000
Acquisition of intangible assets	(53,874)	(4,660)
Other financial assets	323,183	(199,069)
Other non-current assets	(1,313)	(15,656)
Other payables	(66,000)	(343,360)
Net cash flows used in investing activities	(666,013)	(1,163,444)
<b>Cash flows from (used in) financing activities:</b>		
Increase (decrease) in short-term borrowings	299,000	(699,000)
Repayments of bonds	-	(1,379,000)
Increase in long-term borrowings	3,275,373	2,798,100
Repayments of long-term borrowings	(2,739,497)	(825,646)
Payment of lease liabilities	(471,114)	(484,988)
Capital increase by cash	-	638,813
Net cash flows from financing activities	363,762	48,279
<b>Net decrease in cash and cash equivalents</b>	(276,238)	(1,635,617)
Cash and cash equivalents at beginning of period	1,992,019	3,627,636
<b>Cash and cash equivalents at end of period</b>	<u>\$ 1,715,781</u>	<u>1,992,019</u>

The accompanying notes are an integral part of the financial statements.

## **Representation Letter**

The entities that are required to be included in the combined financial statements of PChome Online Inc. as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, "Consolidated and Separate Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, PChome Online Inc. and its Subsidiaries do not prepare a separate set of combined financial statements.

**Company Name:** PChome Online Inc.

**Chairman:** Hung-Tze Jan

**Date:** March 12, 2025





安侯建業聯合會計師事務所  
KPMG

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## Independent Auditors' Report

To the Board of Directors of PChome Online Inc.:

### Opinion

We have audited the consolidated financial statements of PChome Online Inc. and subsidiaries (“the Group”), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the year ended December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Goodwill impairment assessment arising from investments in subsidiaries

Please refer to Note (4)(m) “impairment of non-financial assets” for the accounting policy, Note (5) for the “significant accounting estimates involved in the assessment of goodwill impairment and Note (6)(k) for the information involving impairment assessment of goodwill.

Description of key audit matter:

The amount of goodwill arising from the acquisition of the Company's subsidiaries is material, and when the assessment of impairment of goodwill measures its recoverable amount based on its value in use, the assumptions used in the assessment rely on subjective judgments of the management, which are complex and highly uncertain, and thus constitute a critical accounting estimate. Therefore, we determine the assessment of goodwill impairment as one of most significance.



Audit procedures to address the matter:

Understand the process of accessing goodwill impairment by management, the reasonableness of the impairment model, and the cash generating units identified by management.

Compare management's past estimates with actual results to assess the reasonableness of management's estimates.

Assess the reasonableness of the significant assumptions used in the impairment model, including the expected growth rate and discount rate. Perform the following: (1) verify the parameters and calculation formulas of the evaluation model, (2) compare the expected growth rate with historical results, economic and industrial forecasts, and (3) engage internal experts to assist in assessing the reasonableness of the valuation model and the corresponding discount rate used by the management in estimating the value in use, and to reperform and verify the calculations.

#### **Other Matter**

PChome Online Inc. has additionally prepared its parent company only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unqualified opinion.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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





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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit.

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

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



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

The engagement partners on the audit resulting in this independent auditors' report are Chen, Yi-Chun and Lien, Shu-Ling.

KPMG

Taipei, Taiwan (Republic of China)  
March 12, 2025

#### **Notes to Readers**

The accompanying consolidated financial statements are intended only to present the consolidated financial statements of financial position, financial performance and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditor's report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditor's report and consolidated financial statements, the Chinese version shall prevail.

## (Expressed in Thousands of New Taiwan Dollars)

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**PCHOME ONLINE INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**For the years ended December 31, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

		<b>2024</b>		<b>2023</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4111	Sales revenue	\$ 38,127,965	101	41,814,181	101
4170	Less: Sales returns	564,917	1	527,725	1
	Operating revenue, net (Notes (6)(w) and (7))	37,563,048	100	41,286,456	100
5000	Operating costs (Notes (6)(e) and (7))	32,675,549	87	36,308,911	88
	Gross profit from operations	4,887,499	13	4,977,545	12
	Operating expenses:				
6100	Selling expenses	3,426,304	10	3,763,952	9
6200	Administrative expenses	740,174	2	716,345	2
6300	Research and development expenses	530,136	1	566,811	2
6450	Reversal of expected credit loss (Note (6)(d))	544,625	1	443,555	1
	Total operating expenses	5,241,239	14	5,490,663	14
	Net operating loss	(353,740)	(1)	(513,118)	(2)
	Non-operating income and expenses (Note (6)(y)):				
7100	Interest income	47,347	-	53,744	-
7010	Other income	174,996	-	144,483	-
7020	Other gains and losses, net	(21,993)	-	(10,269)	-
7050	Finance costs	(161,826)	-	(151,489)	-
7060	Share of profit on investment accounted for using equity method	2,709	-	12,376	-
	Total non-operating income and expenses	41,233	-	48,845	-
	Loss from continuing operations before tax	(312,507)	(1)	(464,273)	(2)
7950	Less: Tax expense (Note (6)(s))	115,584	-	63,590	-
	Net loss	(428,091)	(1)	(527,863)	(2)
	Other comprehensive (loss) income:				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	6,913	-	(694)	-
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income (Note (6)(z))	(179,679)	-	96,909	-
8349	Income tax related to components of other comprehensive income (loss) that will not be reclassified to profit or loss	(1,383)	-	88	-
	Items that may not be reclassified subsequently to profit or loss	(174,149)	-	96,303	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign statements	1,210	-	(17,689)	-
8399	Income tax related to components of other comprehensive income (loss) that will be reclassified to profit or loss	-	-	-	-
	Items that may be reclassified subsequently to profit or loss	1,210	-	(17,689)	-
	Other comprehensive income (loss), net of tax	(172,939)	-	78,614	-
8500	Total comprehensive income (loss)	\$ (601,030)	(1)	(449,249)	(2)
	(Loss) Profit attributable to:				
8610	Loss attributable to owners of parent	\$ (576,325)	(1)	(659,899)	(2)
8620	Profit, attributable to non-controlling interests	148,234	-	132,036	-
		\$ (428,091)	(1)	(527,863)	(2)
	Comprehensive income attributable to:				
8710	Comprehensive loss, attributable to owners of parent	\$ (722,791)	(1)	(588,437)	(2)
8720	Comprehensive income, attributable to non-controlling interests	121,761	-	139,188	-
		\$ (601,030)	(1)	(449,249)	(2)
	Earnings per share (Note (6)(v))				
9750	Basic earnings per share (in New Taiwan Dollars)	\$ (4.08)		(5.01)	

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

(Expressed in Thousands of New Taiwan Dollars)

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(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**PCHOME ONLINE INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	2024	2023
<b>Cash flows from (used in) operating activities:</b>		
Net loss before tax	\$ (312,507)	(464,273)
Adjustments:		
Adjustments to reconcile profit or loss:		
Depreciation expenses	800,154	891,292
Amortization expenses	117,722	127,521
Reversal of expected credit loss	544,625	443,555
Net loss on financial assets at fair value through profit or loss	790	3,265
Interest expenses	161,826	151,489
Interest income	(47,347)	(53,744)
Dividend income	(4,829)	(2,581)
Share-based compensation	66,056	19,732
Shares of profit subsidiaries of affiliates and joint ventures accounted for using equity method	(2,709)	(12,376)
Gain on disposal of property, plant and equipment and intangible assets	(901)	(7,364)
Loss on disposal of intangible assets	10	-
Loss on disposal of investments accounted for using equity method	-	1,262
Gain on lease modification	(437)	(28,896)
Total adjustments to reconcile profit	1,634,960	1,533,155
<b>Changes in operating assets and liabilities:</b>		
Changes in operating assets:		
Accounts and notes receivable	(673,780)	(606,780)
Other receivables	416,025	(293,127)
Inventories	(398,221)	230,019
Other current assets	16,942	113,823
Other financial assets	10,019	(477,930)
Total changes in operating assets	(629,015)	(1,033,995)
Changes in operating liabilities:		
Contract liabilities	(92,191)	(35,883)
Accounts and notes payable	(32,744)	(739,533)
Other payables	(219,428)	78,723
Other current liabilities	192,572	(46,654)
Other non-current liabilities	17,872	5,002
Total changes in operating liabilities	(133,919)	(738,345)
Total changes in operating assets and liabilities	(762,934)	(1,772,340)
Total adjustments	872,026	(239,185)
Cash flow generated from (used in) operations	559,519	(703,458)
Interest received	46,286	52,934
Dividends received	22,883	9,904
Interest paid	(161,088)	(147,546)
Income taxes paid	(202,503)	(155,600)
Net cash flows from (used in) operating activities	265,097	(943,766)
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(36,056)	-
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	-	28,916
Acquisition of financial assets measured at fair value through profit or loss	(30,715)	(11,835)
Proceeds from disposal of subsidiaries	-	(48,069)
Proceeds from capital reduction of investments accounted for using equity method	-	275
Acquisition of property, plant and equipment	(577,183)	(840,416)
Proceeds from disposal of property, plant and equipment	5,644	11,969
Acquisition of intangible assets	(54,544)	(5,928)
Other financial assets	127,002	84,289
Other non-current assets	(5,420)	(8,505)
Other payables	(152,659)	(534,523)
Net cash flows used in investing activities	(723,931)	(1,323,827)
<b>Cash flows from (used in) financing activities:</b>		
Decrease in short-term loans	(436,048)	(407,438)
Repayments of corporate bonds	-	(1,379,000)
Increase in long-term borrowings	4,235,220	3,079,568
Repayments of long-term borrowings	(3,474,719)	(1,581,421)
Payments of lease liabilities	(539,671)	(558,785)
Capital increase by cash	-	638,813
Change in non-controlling interests	(2,316)	(104,349)
Net cash flows used in financing activities	(217,534)	(312,612)
Effect of exchange rate changes on cash and cash equivalents	(6,715)	(6,282)
Net decrease in cash and cash equivalents	(683,083)	(2,586,487)
Cash and cash equivalents at beginning of period	4,263,320	6,849,807
Cash and cash equivalents at end of period	\$ 3,580,237	4,263,320

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

## PChome Online Inc.

### Rules of Procedure for Shareholders' Meeting

#### 1. Purpose

To ensure that the shareholders' meetings of the Company can operate smoothly, the Rules of Procedure for Shareholders' Meeting (the "Rules") is established in accordance with relevant laws and regulations to be complied with.

#### 2. Scope of application

The Rules are applicable to shareholders' meeting of the Company.

#### 3. Definition of terms

3.1 The term "shareholders" used in the Rules refers to shareholders as set out in the shareholders' register or their appointed proxies.

#### 4. Related documents

None

#### 5. Operating procedures

##### 5.1

The shareholders' meeting is presided by the Chairman of the Board of Directors (the "Board") if convened by the Board. If the Chairman is on leave or is unable to exercise power, the Vice Chairman of the Board shall stand proxy. If there is no Vice Chairman of the Board or the Vice Chairman is also on leave or unable to exercise power, the Chairman may appoint one of managing Directors to stand proxy. If there is no managing Director, the Chairman may appoint one Director to stand proxy. If the Chairman does not appoint a proxy, the managing Directors or Directors shall elect one person from among themselves to preside at the meeting.

When a managing Director or a Director serves as Chairman as referred to in the preceding paragraph, the managing Director or the Director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person Director that serves as Chairman. If the shareholders' meeting is convened by a party other than the Board, the convening party shall preside at the meeting. When there are two or more convening parties, they shall elect a person from among themselves to preside at the meeting.

##### 5.2

The shareholders' meeting shall be convened at the premises of the Company or an appropriate venue convenient for shareholders to attend. The meeting shall begin no earlier than 9 a.m. or no later than 3 p.m.

##### 5.3 Shareholders' meeting agenda items

5.3.1 The Board shall set the meeting agenda items. Relevant proposals (including special motions and amendments to the original proposals) shall be resolved by voting on a proposal-by-proposal basis. The meeting shall proceed according to the agenda which shall not be changed without a resolution of the shareholders' meeting.

5.3.2 Rule 5.3.1 applies to the shareholders' meeting convened by a party entitled to convene other than the Board.

5.3.3 The chairman shall not announce adjournment of the meeting before completion of the agenda (including special motions) referred to in 5.3.1 and 5.3.2 unless otherwise resolved at the shareholders' meeting.

5.3.4 After the meeting is adjourned, the shareholders shall not elect another chairman to continue the meeting at the original or another venue.

5.3.5 If the Chairman announces the adjournment in violation of the Rules, the attending shareholders shall elect one person to preside the meeting with the consent of the majority of voting rights represented by the attending shareholders to continue the

- meeting.
- 5.3.6 Election or discharge of Directors and Supervisors; amendments to Articles of Incorporation; capital deduction; application to terminate the public offering of the shares; release of the Directors from non-compete restrictions; capital increase from earnings or reserve; dissolution; merger or spin-off of the Company or matters set out in subparagraphs under Paragraph 1, Article 185 of the Company Act shall be stated in the notice of a general meeting, with a summary of the major content to be discussed. They shall not be proposed as special motions. The summary of major content shall be disclosed at websites designated by the competent authorities or Company and the websites shall be clearly stated in the meeting notice.
- 5.3.7 Where the reasons to convene the shareholders' meeting has specified the re-election of Directors and Supervisors as well as the on-board dates, after the election in the shareholders' meeting, the on-board date cannot be changed via a special motion or other means in the same meeting.
- 5.3.8 Shareholders holding 1% or more of the total number of issued shares may submit to the Company a written proposal for discussion at annual shareholders' meeting, provided that only one matter shall be allowed in each single proposal. If the purpose of the proposal is to urge the Company to promote public interests or fulfil its social responsibilities, the Board may include such proposal in the agenda. If the shareholders' proposals contain circumstances set out in Paragraph 4, Article 172-1 of the Company Act, the Board of Directors may not include the proposals in the agenda.
- 5.3.9 Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, in written or electronic method, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
- 5.3.10 Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.
- 5.3.11 Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.
- 5.4 When the shareholders (or their appointed proxies) attend the shareholders' meeting, they shall sign on the attendance booklet or hand in the attendance cards in lieu of signing in and complete the registration procedures. The Company shall not arbitrarily request additional supporting documents as identification documents for the attendance of shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. The attendance and voting at the shareholders' meeting shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book or attendance cards handed in and the number of shares with voting rights exercised by correspondence or electronic means.
- 5.5 The chairman shall call the meeting to order at the scheduled time. When the majority of the total number of issued shares is not represented by the attending shareholders, the chairman may announce to postpone the meeting. The postponement is limited to two times with a combined duration of less than one hour. If the quorum is not met after two postponements, but one-third or more of the total number of issued shares



are represented by the attending shareholders, tentative resolutions may be made pursuant to Paragraph 1 of Article 175 of the Company Act. If the attending shareholders represent the majority of the total number of issued shares before the conclusion of the meeting, the chairman may resubmit the tentative resolutions for voting at the shareholders' meeting pursuant to Article 174 of the Company Act.

5.6 Speech of the attending shareholders

5.6.1 Before speaking, the attending shareholders shall complete the speaker's slip indicating the shareholder's account number (or the number of attendance card) and account name. The sequence of speeches shall be determined by the chairman.

5.6.2 If the attending shareholder submits a speaker's slip without speaking, it shall be deemed as making no speeches. If the contents of speech are inconsistent with the contents of speaker's slip, the contents of speech shall prevail.

5.6.3 When the attending shareholders speak, other shareholders shall not interrupt the speech unless they are permitted by the chairman and the speaking shareholder. Otherwise, the chairman shall stop such interruption.

5.6.4 The shareholder's speech is limited to five minutes each time and may be extended by three minutes upon consent of the chairman. The extension is limited to one time.

5.6.5 The shareholder shall not make a speech concerning the same proposal for more than two times. If the Shareholder's speech exceeds the time limit or is beyond the scope of the agenda item, the chairman may stop the speech. If a shareholder continues to violate the Rules after being corrected, the chairman may direct the disciplinary officers (or security guards) to assist with maintaining order at the meeting.

5.6.6 When a juristic person is appointed to attend the shareholders' meeting, it may designate only one person to attend on its behalf. If a corporate shareholder appoints two or more representatives to attend the shareholders' meeting, only one representative may speak for each agenda item.

5.6.7 After the attending shareholder has spoken, the chairman may respond in person or appoint an appropriate person to respond.

5.7 When the chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, he/she shall announce the discussion closed and call for a vote. He/she shall also allow ample time for voting.

5.8 Voting on proposals

5.8.1 When the Company convenes a shareholders' meeting, voting rights may be exercised by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the methods of exercise shall be clearly indicated in the shareholders' meeting notice. Shareholders exercising their voting rights by correspondence or electronic means are deemed as attending the shareholders' meeting in person. They are, however, deemed as waiving their rights on special motions or amendments to the original proposals of that shareholders' meeting. Thus, the Company is advised not to raise special motions or make amendments to the original proposals. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. However, this restriction does not apply when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised shall be made known to the Company two days before the date of the shareholders' meeting, by the same means

- by which the voting rights were exercised.
- 5.8.2 The ballot supervisors and ballot counters of proposal voting shall be appointed by the chairman, but the ballot supervisors shall be shareholders. The voting results shall be announced at the meeting and recorded in the minutes.
- 5.8.3 Unless otherwise provided in the Company Act and Articles of Incorporation, the adoption of resolution shall be approved by the majority of voting rights represented by the attending shareholders. When voting, the Chairman or designated person shall announce the total number of voting rights represented by attending shareholders proposal-by-proposal before shareholders cast their votes proposal-by-proposal. The number of votes for, against and abstained shall be released in the Market Observation Post System website on the same day as the shareholders' meeting.
- 5.8.4 In the event that an amendment or a substitute comes out of the same issue, the chairperson shall fix the order of balloting in consolidation with the original issue. If one proposal among them has been adopted, the others shall be deemed overruled and no further voting is required.
- 5.9 Shareholders shall not participate in voting on agenda items of which they have a personal interest and may impair the interest of the Company, and shall not exercise the voting rights as proxy for other Shareholders. The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
- 5.10 The Company may appoint designated attorneys, certified public accountants or related party to attend the shareholders' meeting. The staff involved in the meeting affairs shall wear identification cards or armbands.
- 5.11 The process of shareholders' meeting shall be tape-recorded or videotaped and kept for at least one year. If, however, a shareholder files a lawsuit based on Article 189 of the Company Act, the recordings shall be retained until the conclusion of the litigation.
- 5.12 The meeting shall be suspended if an air-raid drill starts for shareholders to evacuate. Meeting would resume one hour after the completion of drill.
- 5.13 When the meeting is in progress, the chairman may announce a break at his/her discretion. If force majeure events occur, the chairman may decide to temporarily suspend the meeting and announce the time to resume the meeting depending on the situation. If the meeting venue becomes unavailable before meeting agenda (including special motions) has been completed, another venue can be used to resume the meeting upon resolution at the shareholders' meeting.  
The shareholders' meeting may resolve to postpone or resume the meeting within five days in accordance with Article 182 of the Company Act.
- 5.14 Any other matters not set forth in the Rules shall be subject to the Articles of Incorporation, Company Act and other applicable rules and regulations.
- 5.15 The Rules and any amendment hereto shall take effect after adoption by the shareholders' meeting.

**Articles of Incorporation**  
**Chapter I General Provisions**

Article 1: The Company is incorporated as a company limited by shares in accordance with the Company Act and is named □ □ □ □ □ □ □ □ □ 份 □ □ □ □ in the Chinese language and PChome Online Inc. in the English language.

Article 2: The Company's business scope is as follows:

The Company's business scope is as follows:

- |    |         |  |
|----|---------|--|
| 1  | E605010 | Computing Equipment Installation Construction  |
| 2  | E701040 | Basic Telecommunications Equipment Construction  |
| 3  | F113050 | Wholesale of Computing and Business Machinery Equipment  |
| 4  | F113070 | Wholesale of Telecom Instruments   |
| 5  | F118010 | Wholesale of Computer Software   |
| 6  | F119010 | Wholesale of Electronic Materials  |
| 7  | F201010 | Retail sale of Agricultural Products   |
| 8  | F201020 | Retail sale of Husbandry Products  |
| 9  | F201050 | Retail sale of Fishing Tackles   |
| 10 | F201070 | Retail sale of Flowers   |
| 11 | F201090 | Retail Sale of Aquarium Fishes   |
| 12 | F202010 | Retail sale of Animal Feeds  |
| 13 | F203010 | Retail sale of Food and Grocery  |
| 14 | F203020 | Retail Sale of Tobacco and Alcoholic Beverages   |
| 15 | F204110 | Retail sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel,<br>Clothing Accessories and Other Textile Products |
| 16 | F205040 | Retail sale of Furniture, Bedclothes, Kitchen Equipment and<br>Fixtures  |
| 17 | F206020 | Retail Sale of Articles for Daily Use  |
| 18 | F206050 | Retail of pet food and appliances  |
| 19 | F207030 | Retail Sale of Cleaning Preparations   |
| 20 | F208031 | Retail sale of Medical Equipment   |
| 21 | F208040 | Retail Sale of Cosmetics   |
| 22 | F208050 | Retail Sale of the Second Type Patent Medicine   |
| 23 | F209060 | Retail sale of Stationery Articles, Musical Instruments, and<br>Educational Entertainment Articles                   |
| 24 | F210010 | Retail Sale of Watches and Clocks  |

25	F210020	Retail Sale of Spectacles
26	F213030	Retail sale of Computing and Business Machinery Equipment
27	F213060	Retail Sale of Telecom Instruments
28	F214010	Retail Sale of Automobiles
29	F214020	Retail Sale of Motorcycles
30	F214030	Retail Sale of Motor Vehicle Parts and Supplies
31	F214040	Retail Sale of Bicycles and Parts
32	F215010	Retail Sale of Jewelry and Precious Spectacles Metals
33	F216010	Retail Sale of Photographic Equipment
34	F218010	Retail Sale of Computer Software
35	F219010	Retail Sale of Electronic Materials
36	F299990	Retail Sale of Other Retail Trade Not Elsewhere Classified
37	F301010	Department Stores
38	F301020	Supermarkets
39	F399010	Convenience Stores
40	F399040	Retail Business Without Shop
41	F399990	Retail sale of Others
42	F401010	International Trade
43	F401021	Restrained Telecom Radio Frequency Equipment and Materials Import
44	F501030	Coffee/Tea Shops and Bars
45	F501050	Public Houses and Beer Halls
46	F501060	Restaurants
47	F601010	Intellectual Property
48	I102010	Investment Consultancy
49	I103060	Management Consulting Services
50	I105010	Artwork Consultation Services
51	I199990	Other Consultancy
52	I301010	Software Design Services
53	I301020	Data Processing Services
54	I301030	Digital Information Supply Services
55	I301040	The Third-party Payment Services
56	I401010	General Advertising Services
57	I401020	Leaflet Distribution

58	I501010	Product Designing
59	IE01010	Telecommunications Number Agencies
60	IZ03010	Clipping Services
61	IZ04010	Translation Services
62	IZ10010	Typesetting Services
63	IZ12010	Manpower Services
64	IZ13010	Internet Identify Services
65	IZ99990	Other Industry and Commerce Services Not Elsewhere Classified
66	J301010	Newspaper Publishers
67	J302010	Press Release
68	J303010	Magazine and Periodical Publication
69	J304010	Book Publishers
70	J305010	Audio Tape and Record Publishers
71	J602010	Agents and Managers for Performing Arts, Entertainers, and Models
72	J701020	Amusement Parks
73	J701040	Recreational Activities grounds and Facilities
74	J801030	Athletics and Recreational Sports Stadium
75	JA05010	Study Abroad Services
76	JB01010	Exhibition Services
77	JD01010	Industry and Commerce Credit Bureau Services
78	JE01010	Rental and Leasing Business
79	JZ99050	Agency Services
80	JZ99080	Beauty Shops
81	JZ99090	Joyous Events Services
82	G801010	Warehousing and Storage
83	IZ06010	Cargoes Packaging
84	G799990	Other Supporting Services to Transportation
85	F401171	Alcohol Drink Import
86	A102060	Grain Commerce
87	ZZ99999	All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The total reinvestment of the Company shall not be limited to less than forty percent of paid-up capital and the Company may provide endorsement and guarantee to external parties.

Article 4: The Company is located in Taipei City and may, if necessary, set up branch offices in

other appropriate locations upon resolution of the Board of Directors (the "Board").

Article 5: Deleted.

## **Chapter II Capital Stock**

Article 6: The total amount of the Company's capital stock is NT\$2,500,000,000, which is divided into 250,000,000 shares at a par value of NT\$10 each. The Board is authorized to issue the unissued shares as common or preferred stocks by multiple installments. 25,000,000 shares of the aforementioned capital stock are retained for employees' stock options, preferred stocks with subscription rights, or corporate bonds with subscription rights. The Board is authorized to issue the unissued shares by multiple installments when needed. The Company may grant employees' stock options, restricted stocks for employees, or the rights to subscribe new shares issued to employees, or distribute or transfer shares repurchased pursuant to laws to employees. The said employees shall include ones in the controlling or affiliated companies who met certain conditions. The rights, obligations, and important issuance terms of the Company's preferred stocks are as follows:

- I. The Company shall apply the current year's earnings, if any, to pay for taxes as stipulated by laws and regulations, offset accumulated losses of previous years, and allocate a portion as legal reserve pursuant to laws and regulations. Next, special reserve is appropriated or reversed pursuant to the Articles of Incorporation. The remaining earnings, if any, are allocated as preferred stock dividends for the year.
- II. The dividend rate of preferred stocks is capped at 8% per annum and is calculated based on the issuance price. Dividends are to be distributed in the form of cash each year. Once the Company's financial reports are ratified in the annual shareholders' meeting, the Board will set the record date for the distribution of previous year's dividends payable. Dividends in the year of issuance and redemption are calculated based on the preferred stocks' actual number of outstanding days.
- III. The Company has discretion over the distribution of preferred stock dividends. If the Company did not generate any or sufficient profits during the year for the distribution of preferred stock dividends, it may resolve not to pay out the dividends and preferred stockholders have no rights to object. The preferred stocks issued are non-cumulative, i.e. the undistributed dividends or shortages in dividends distributed shall not be accumulated and paid in subsequent years when profits are generated.
- IV. The preferred stocks issued are non-participating. Except for dividends specified in Subparagraph 2 of this Paragraph, preferred stockholders cannot participate in common stocks' distribution of cash or stock dividends from earnings or capital surplus.
- V. For cash offering of new shares, the preferred stockholders have the same preemptive rights as the common stockholders.
- VI. Preferred stockholders have a higher claim to the Company's residual properties than common stockholders. Different types of preferred stocks issued by the Company grant holders the same rights to claims, and preferred stockholders stay subordinate to general creditors. The amount preferred stockholders are entitled to is capped at the product of number of outstanding preferred stocks at the time of distribution and issuance price.
- VII. Preferred stockholders have neither voting nor election rights. However, they may be elected as Directors or Supervisors. They have voting rights in preferred stockholders' meetings or with respect to agendas associated with the rights and obligations of preferred stockholders in shareholders' meetings.
- VIII. Preferred stocks issued by the Company are convertible and they cannot be converted within one year from the issuance date. The Board of Directors is authorized to set the convertible period in the actual issuance terms. Based on the issuance terms, holders of convertible preferred stocks may apply to convert all or a part of preferred stocks held

at the conversion ratio of one preferred stock for one common stock (The conversion ratio is 1:1). Once converted, the rights and obligations of the converted stocks are identical to that of common stocks. Dividend distribution at the conversion year shall be calculated based on the ratio of actual issuance days to total days of the conversion year. However, preferred stockholders who convert their stocks prior to the ex-dividend date cannot participate in the preferred stock dividends of that year and all subsequent year. Nevertheless, they may participate in the distribution of profit and capital surplus for common stocks.

- IX. Preferred stocks have no maturity dates and preferred stockholders have no rights to request the Company to redeem those stocks. However, the Company may redeem all or a part of preferred stocks in cash, by compulsory conversion into new shares or by other means permissible by laws based on the issuance price and by relevant issuance terms at any time starting from the date after the stocks have been issued for three years. The unredeemed preferred stocks continue to have the rights and obligations stipulated in this Article until they are redeemed by the Company. If the Company's shareholders' meeting resolves to distribute dividends in the year when preferred stocks are redeemed, dividends payable up to the redemption date shall be calculated based on the preferred stocks' number of outstanding days in the redemption year.
- X. The Board of Directors is authorized to list the preferred stocks or the common stocks converted at the TPEx depending on the Company and market conditions. The Board of Directors is authorized to set the name, issuance date and terms, and other relevant matters of the preferred stocks at the time of issuance based on the market conditions and investors' subscription interests, in accordance with the Company's Articles of Incorporation and applicable laws and regulations.

- Article 7: The shares of the Company shall be issued after signed or sealed by Directors representing the Company and certified in accordance with applicable laws and regulations.
- Article 7-1: Share certificates issued by the Company are exempted from printing; however, they shall be registered in the central securities depository.
- Article 8: The shareholders of the Company shall use their own names. Where an institution or a juristic person is a shareholder, it shall use its name as records instead of registering another name or only a representative.
- Article 9: Shareholder services of the Company are handled in accordance with the Company Act, "Regulations Governing the Administration of Shareholder Services of Public Companies" and relevant laws and regulations promulgated by the competent authorities.
- Article 10: Registration for share transfer shall be suspended sixty days before the date of annual general shareholders' meeting, and thirty days before the special shareholders' meeting, or within five days before the day on which the Company determines to pay dividends, bonuses, or any other benefits.

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

- Article 11: The shareholders' meetings of the Company are classified into two types. The general meeting shall be annually convened by the Board within six months from the end of each fiscal year in accordance with the relevant laws and regulations. The extraordinary meeting shall be convened in accordance with the relevant laws and regulations, whenever is necessary. The preferred stockholders' meeting shall be convened in accordance with the relevant laws and regulations, whenever is necessary.
- Article 12: Written notices shall be sent to all shareholders thirty days prior to the general meeting and fifteen days prior to the special meeting. The notice shall specify the date, place,

and reasons to convene.

Article 13: The resolutions of shareholders' meeting, unless otherwise stated in the relevant laws and regulations, shall be agreed by the majority of votes represented by the attending shareholders or proxies who represents the majority of the total number of issued shares.

Article 14: Shareholders of the Company are entitled to one vote for each share held. However, this shall not apply to Company's shares held by its own pursuant to laws and regulations.

Article 15: Shareholders may designate a proxy to attend the shareholders' meeting with a power of attorney issued by the Company in accordance with the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meeting of Public Companies promulgated by competent authority.

Article 16: The Chairman of the Board shall preside at the shareholders' meeting. When the Chairman is unable to attend, he/she may appoint one of the directors to stand proxy. If the Chairman does not appoint a proxy, directors shall elect a person from among themselves to preside at the meeting. If the shareholders' meeting is convened by a party other than the Board, the convening party shall preside at the meeting. When there are two or more convening parties, they shall elect a person from among themselves to preside at the meeting.

Article 17: The resolutions of the shareholders' meeting shall be recorded in the minutes. The minutes shall be signed or affixed to the meeting chairman's seal and be distributed to all shareholders within twenty days after the meeting. The distribution may be done via public announcement. The meeting minutes shall contain the essentials and results of the proceedings and be retained permanently by the Company together with the shareholders' attendance booklet and power of attorney.

#### **Chapter IV Directors and Audit Committee**

Article 18: The Company has nine Directors. The candidate nomination system is adopted pursuant to Article 192-1 of the Company Act. Shareholders shall elect from the list of candidates to serve a term of three years. Directors are eligible for re-election. The number of independent directors within the number of directors in the preceding article shall be two at least and shall not be less than one-fifth of the total number of directors. The election for independent and non-independent directors shall be held at the same time, but the numbers to be elected shall be calculated separately.

The majority of the Company's directors shall not have one of the following relationships.

I. Spouse

II. Within Second-Degree of Kinship

The Board is delegated to determine the remuneration to directors based on their involvement in the Company's business operation and their contributions to the Company with reference to the remuneration standard of the industry.

Article 19: The Board is composed of directors. The directors shall elect a Chairman from among themselves in the Board meeting with the consent of the majority of attending directors, which represents more than two-thirds of all directors. The Chairman shall have the authority to represent the Company.

When the vacancies on the Board exceed one-third of the total number of the Directors or all supervisors are dismissed, the Board shall convene an extraordinary shareholders' meeting within sixty days to elect new members to fill in the vacancies. The newly elected members shall serve the remaining term of the outgoing members.

Article 20: When the Chairman is on leave or unable to exercise power, his/her proxy shall be determined in accordance with Article 208 of the Company Act.



- Article 21: The Board meeting shall be convened by the Chairman. Unless otherwise stipulated in the Company Act, resolutions in a Board meeting shall be adopted by the majority of attending directors which represents the majority of all directors. For Board meetings conducted through video-conferencing, a director who participates through video-conferencing is deemed to attend in person.  
If a director is unable to attend the Board meeting for some reason, he/she shall authorize another director to stand proxy with a power of attorney indicating the scope of authority with reference to the subjects to be discussed at the meeting. No director may act as a proxy for more than one other director.
- Article 22: The Board shall exercise their powers pursuant to the Company Act and the authority granted by the shareholders' meeting.
- Article 23: The discussion at the Board meeting shall be recorded in the minutes. The minutes shall be signed or affixed with the meeting chairman's seal and be retained by the Company.

- Article 24: The Company establishes an Audit Committee in compliance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall consist of all Independent Directors and is responsible to carry out duties of supervisors stipulated in the Company Act, Securities, and Exchange Act and other laws and regulations. Matters concerning the audit committee members, the exercise of their powers and other compliance issues shall be handled in accordance with relevant laws and regulations. Its organizational regulations shall be established separately by the Board.  
The Company may establish a compensation committee or other functional committees in accordance with laws and regulations or business needs.

- Article 25: Deleted.

#### **Chapter V Managers**

- Article 26: The Company shall have several managers. Their appointment, dismissal, and remuneration shall be subject to Article 29 of the Company Act.

#### **Chapter VI Accounting**

- Article 27: The Company's Board of Directors shall prepare (1) business report, (2) financial statements and (3) profit distribution or deficit compensation proposal after the end of each fiscal year and forward them to the general meeting of shareholders for approval. If the aforementioned earnings are to be distributed in the form of new shares, the Company shall comply with Article 240 of the Company Act. If they are to be distributed in the form of cash, the distribution is authorized to be approved by a resolution adopted by the majority of attending Directors which represents more than two-thirds of all Directors. In addition, the distribution proposal shall be submitted to the shareholders' meeting.
- Article 28: When the Company makes a profit for the year, the compensation to employees shall be between one to fifteen percent of the balance and the remuneration to the Directors shall not be higher than one point five percent of the balance. However, if the Company has an accumulated deficit, the profit shall cover the deficit before it can be distributed. Parties eligible to receive the said compensation in the form of stock or cash shall include employees in the controlling or affiliated companies who met certain conditions.
- Article 28-1: The Company shall apply current year's earnings, if any, to pay for taxes first, offset losses in previous years and allocate 10% as a legal reserve unless the accumulated legal reserve has equaled the paid-up capital of the Company. The special reserve is appropriated based on the Company's operational needs and legal requirements. The remaining earnings, if any, are allocated as preferred stock dividends for the year. Remaining earnings, if any, would be combined with the unappropriated earnings at

beginning of the period. The Board shall draft an earnings distribution proposal and submit it to the shareholders' meeting for resolution. With consent from the majority of attending Directors, which represents more than two-thirds of all Directors, the Company may appropriate a part or all of dividends, bonuses, legal reserve or capital surplus to be distributed in the form of cash. In addition, the distribution proposal shall be submitted to the shareholders' meeting.

The Company adopts the residual dividend policy as its dividend policy. The Company would calculate future capital requirements based on the capital budget for future periods and apply retained earnings to satisfy the capital requirement. Earnings remained would be distributed in the form of stocks and cash dividends. However, the stock dividends distributed shall not exceed eighty percent of the dividends for the year.

#### **Chapter VII Additional Provisions**

Article 29: Rules governing the organization and the procedures of the Company shall be separately stipulated.

Article 30: Matters not set forth in the Articles of Incorporation shall be subject to the Company Act and other laws and regulations.

Article 31: The Articles of Incorporation was established on June 25, 1998. The first amendment was made on November 16, 1998. The second amendment was made on April 1, 1999. The third amendment was made on May 18, 1999. The fourth amendment was made on December 9, 1999. The fifth amendment was made on February 22, 2000. The sixth amendment was made on May 3, 2000. The seventh amendment was made on September 14, 2000. The eighth amendment was made on June 11, 2002. The ninth amendment was made on June 27, 2003. The tenth amendment was made on June 25, 2004. The eleventh amendment was made on June 26, 2006. The twelfth amendment was made on June 22, 2007. The thirteenth amendment was made on June 10, 2009. The fourteenth amendment was made on June 19, 2012. The fifteenth amendment was made on June 26, 2013. The sixteenth amendment was made on June 24, 2014. The seventeenth amendment was made on June 21, 2016. The eighteenth amendment was made on June 13, 2018. The nineteenth amendment was made on June 14, 2019. The twentieth amendment was made on June 24, 2020. The twenty-first amendment was made on June 19, 2024. The twenty-two amendment was made on Dec 19, 2024.

**PChome Online Inc.**  
**Rules for Election of Directors**

**Appendix III**

1. Purpose  
The Rules are established to improve measures adopted in the Company's election of directors.
2. Scope of application  
The election of directors at the Company is conducted in accordance with these Rules.
3. Definition of terms  
None
4. Related documents  
None
5. Operating procedures
  - 5.1 The Company's election of directors shall be held at the shareholders' meeting.
  - 5.2 The number of directors of the Company is based on the number of directors stipulated in the Company's Articles of Incorporation.
  - 5.3 The Company's adopts the open-ballot, cumulative voting method for election of directors. Each share shall have voting rights equivalent to the number of seats to be elected, and such voting rights can be combined to vote for one person, or divided to vote for several persons. The shareholder account number or attendance card numbers on the ballot may be used to replace the names of shareholders on the ballots.
  - 5.4 For the number of seats set forth in the Articles of Incorporation, the numbers of votes for independent and non-independent directors are calculated separately, and candidates who acquire more votes shall win the seats of independent and non-independent directors respectively. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, such persons acquiring the same votes shall draw lots to decide who should win the seats, and the chairman shall draw lots on behalf of the candidate who is not present.
  - 5.5 The Board of Director shall prepare the ballots in accordance with the shareholder account number or attendance card numbers and specify the number of voting rights.
  - 5.6 The Company shall appoint several persons to check and record the ballots and carry out relevant tasks.
  - 5.7 The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before the voting commences.
  - 5.8 If a candidate is a shareholder, the voter shall enter the candidate's account name and shareholder account number in the "candidate" column of the ballot. For a non-shareholder, the voter shall enter the candidate's full name and ID card number. However, when the candidate is a government organization or corporate shareholder, the name of the government organization or corporate shareholder shall be entered in the column for the candidate's account name on the ballot, or both the name of the government organization or corporate shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each representative shall be entered.
  - 5.9 Ballots shall be deemed void in any of the following circumstances:
    - 5.9.4 Illegible writing.
    - 5.9.5 If the candidate is a shareholder, the name or shareholder account number of the candidate filled in the ballot is inconsistent with the shareholders' register. If the candidate is not a shareholder, the name and ID card number of the candidate filled in the ballot do not match.
  - 5.10 The ballots shall be calculated right after the vote casting. The vote monitoring personnel shall monitor the procedure. The chairman at the meeting shall announce the results of the

election.

- 5.11 The Company will issue notifications to elected directors and supervisors after the shareholders' meeting.
- 5.12 Any other matters not set forth in the Rules shall be subject to the Company Act and other applicable rules and regulations.
- 5.13 The Rules and any amendment hereto shall take effect after adoption by the shareholders' meeting.

## PChome Online Inc. Shareholding of Directors

- I. The Company's total number of shares issued as of the book closure date of this annual shareholders' meeting (April 27, 2025): 205,647,065 common shares
- II. Minimum share ownership by all directors of the Company: 12,000,000 shares  
The number of shares held by all Directors on the register of shareholders as of the book closure date of this annual shareholders' meeting (April 27, 2025) has met the percentage requirement specified in Article 26 of the Securities and Exchange Act. Details are as follows.
- III. Pursuant to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", if the Company has two or more Independent Directors, the shareholding percentage calculated at the rates set forth for all Directors, excluding the Independent Directors, shall be reduced to 80 percent.

Title	Name of Natural or Juristic Person	Shareholding at of the Book Closure Date	
		No. of Shares	Shareholding Percentage
Chairman of the Board	Hung-Tze Jan	2,880,746	1.4%
Director	Site Inc. Representative: Chen-Te Lin	18,907,864	9.19%
Director	Site Inc. Representative: Chang-Hsi Hu		
Director	CDIB Venture Capital Corporation Representative: Ryan Kuo	1,875,293	0.91%
Independent Director	He Chendan	0	0%
Independent Director	Ethan Tu	0	0%
Independent Director	Lambert Chien	0	0%
<b>Shareholding of all Directors</b>		<b>23,663,903</b>	<b>11.50%</b>

## Other Explanatory Items

Procedure regarding shareholder proposals of this shareholders' meeting  
Explanatory Notes:

1. Pursuant to Article 172-1 of the Company Act, shareholders holding 1% or more of the total number of issued shares of a company may submit proposals in writing for discussion at annual shareholders' meeting. Each shareholder can submit only one proposal and the proposal shall be limited to 300 words.
2. Shareholders can submit proposals for 2023 annual shareholders' meeting from April 18, 2025, to April 28, 2025. Relevant information has been released in the Market Observation Post System website in accordance with relevant laws.
3. The Company did not receive any shareholder proposals.