

PChome ONLINE

The Largest e-Commerce Group in Taiwan

PChome^{ONLINE}

Financial Results

2020 2Q Income Statement *IFRS-consolidated*

(NTD, mn)	<u>2020 2Q</u>	%	<u>2019 2Q</u>	%	<u>Variance</u>
Revenue	10,294	100.0%	8,827	100.0%	16.6%
Gross Margin	1,196	11.6%	1,079	12.2%	10.8%
Operating Expense	-1,133	-11.0%	-1,032	-11.7%	9.9%
Marketing Expense	-873	-8.5%	-827	-9.4%	5.6%
Administration Expense	-125	-1.2%	-90	-1.0%	39.0%
R&D Expense	-135	-1.3%	-115	-1.3%	17.4%
Operating Income	62	0.6%	47	0.5%	31.3%
Net non-operating income	11	0.1%	-10	-0.1%	-207.5%
Net income before tax	73	0.7%	37	0.4%	97.1%
Net income after tax	49	0.5%	22	0.3%	119.7%

2020 1H Income Statement *IFRS-consolidated*

(NTD, mn)	<u>2020 1H</u>	%	<u>2019 1H</u>	%	<u>Variance</u>
Revenue	<u>20,973</u>	100.0%	<u>18,029</u>	100.0%	<u>16.3%</u>
Gross Margin	2,467	11.8%	2,208	12.2%	11.8%
Operating Expense	2,260	10.8%	2,087	11.6%	8.3%
Marketing Expense	1,768	8.4%	1,692	9.4%	4.5%
Administration Expense	221	1.1%	167	0.9%	32.2%
R&D Expense	270	1.3%	228	1.3%	18.5%
Operating Income	208	1.0%	121	0.7%	71.6%
Net non-operating income	12	0.1%	(28)	-0.2%	-
Net income before tax	<u>220</u>	1.0%	<u>93</u>	0.5%	<u>135.8%</u>
Net income after tax	<u>152</u>	0.7%	<u>63</u>	0.4%	<u>138.9%</u>

2020 2Q Income Statement *IFRS-unconsolidated*

(NTD, mn)	<u>2020 2Q</u>	%	<u>2019 2Q</u>	%	<u>Variance</u>
Revenue	9,749	100.0%	8,185	100.0%	19.1%
Gross Margin	1,206	12.4%	997	12.2%	20.9%
Operating Expense	1,076	11.0%	930	11.4%	15.8%
Operating Income	129	1.3%	68	0.8%	91.4%
Net non-operating income	(50)	-0.5%	(34)	-0.4%	-
Net income before tax	79	0.8%	34	0.4%	134.7%
Net income after tax	53	0.5%	23	0.3%	124.4%

2020 1H Income Statement *IFRS-unconsolidated*

(NTD, mn)	<u>2020 1H</u>	%	<u>2019 1H</u>	%	<u>Variance</u>
Revenue	19,862	100.0%	16,710	100.0%	18.9%
Gross Margin	2,462	12.4%	2,052	12.3%	20.0%
Operating Expense	2,126	10.7%	1,853	11.1%	14.7%
Operating Income	336	1.7%	199	1.2%	68.3%
Net non-operating income	(114)	-0.6%	(107)	-0.6%	-
Net income before tax	221	1.1%	93	0.6%	138.5%
Net income after tax	<u>156</u>	0.8%	<u>73</u>	0.4%	<u>114.5%</u>

2020 2Q Balance Sheet *IFRS-consolidated*

	2020 Q2		2019 Q2	
	Amount	%	Amount	%
ASSETS				
Current Assets :				
Cash & cash equivalents	7,755	50.28%	6,784	46.64%
Accounts receivables	490	3.18%	571	3.92%
Other receivables	1,178	7.64%	1,033	7.10%
Inventories	1,100	7.13%	1,205	8.28%
Other current assets	818	5.30%	811	5.58%
Total Current assets	11,341	73.53%	10,405	71.53%
Non-Current Assets :				
Long term investments	30	0.19%	47	0.32%
PP&E	598	3.87%	575	3.95%
Other non-current assets	3,456	22.40%	3,520	24.20%
Total non-current assets	4,083	26.47%	4,141	28.47%
TOTAL ASSETS	15,424	100.00%	14,546	100.00%

	2020 Q2		2019 Q2	
	Amount	%	Amount	%
LIABILITIES				
Current Liabilities :				
Short term borrowings	325	2.11%	200	1.37%
Account payable	3,502	22.70%	2,851	19.60%
Other payables	966	6.26%	770	5.30%
Other current liabilities	442	2.87%	376	2.58%
Total current liabilities	8,253	53.51%	7,172	49.31%
Non-current Liabilities :	3,312	21.48%	3,866	26.58%
TOTAL LIABILITIES	11,565	74.98%	11,038	75.88%
STOCKHOLDERS' EQUITY				
Capital Stock :				
Common stock	1,172	7.60%	1,172	8.05%
Capital surplus	1,722	11.16%	1,720	11.83%
Retained earnings	174	1.13%	73	0.50%
Other Equity	791	5.13%	543	3.73%
TOTAL EQUITY	3,859	25.02%	3,508	24.12%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	15,424	100.00%	14,546	100.00%

PChome^{ONLINE}

Business Reviews

PChome Core Business

B2C

PChome 24h shopping

B2C

C2C

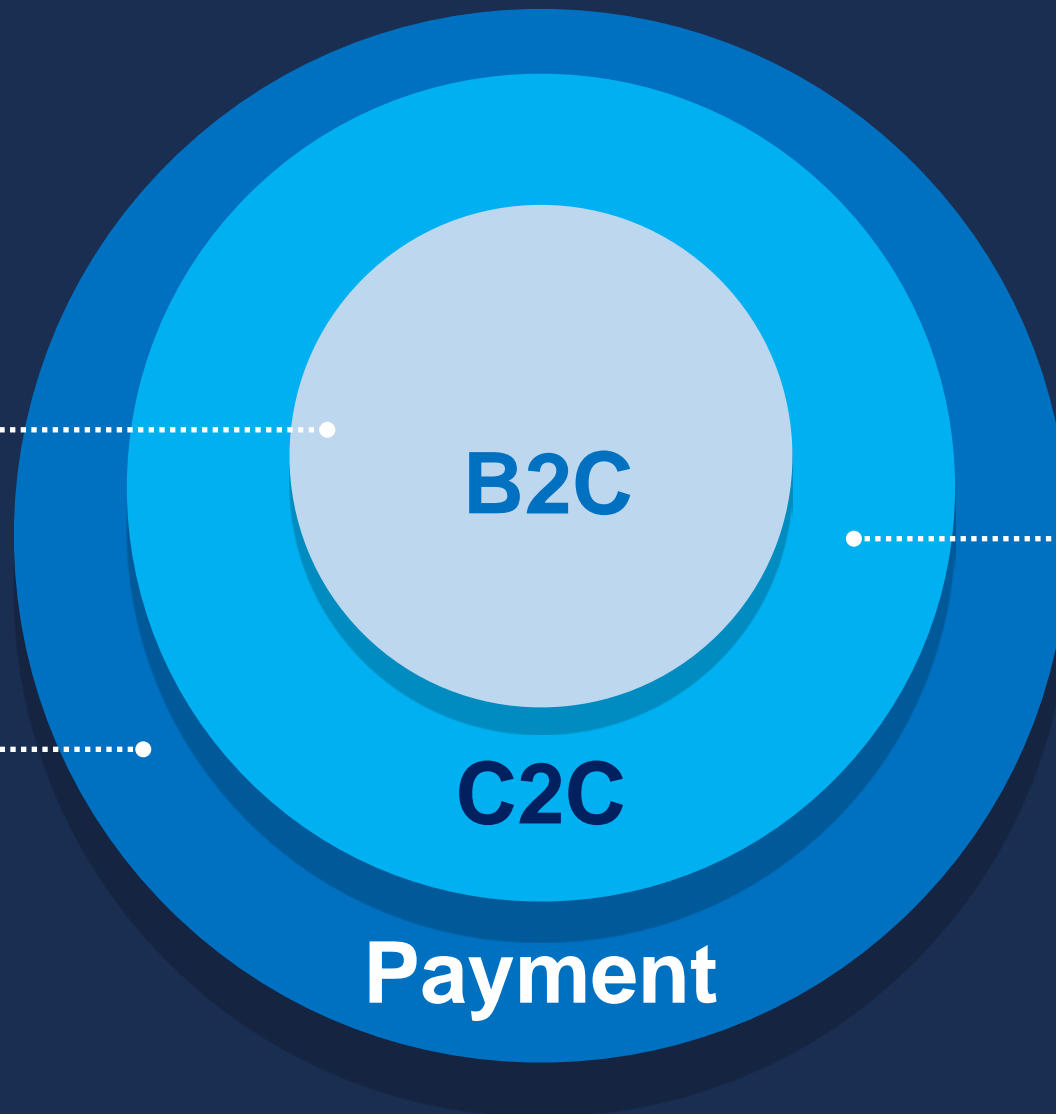
Ruten,
PChome Store

Payment

Pi,
PChomePay

C2C

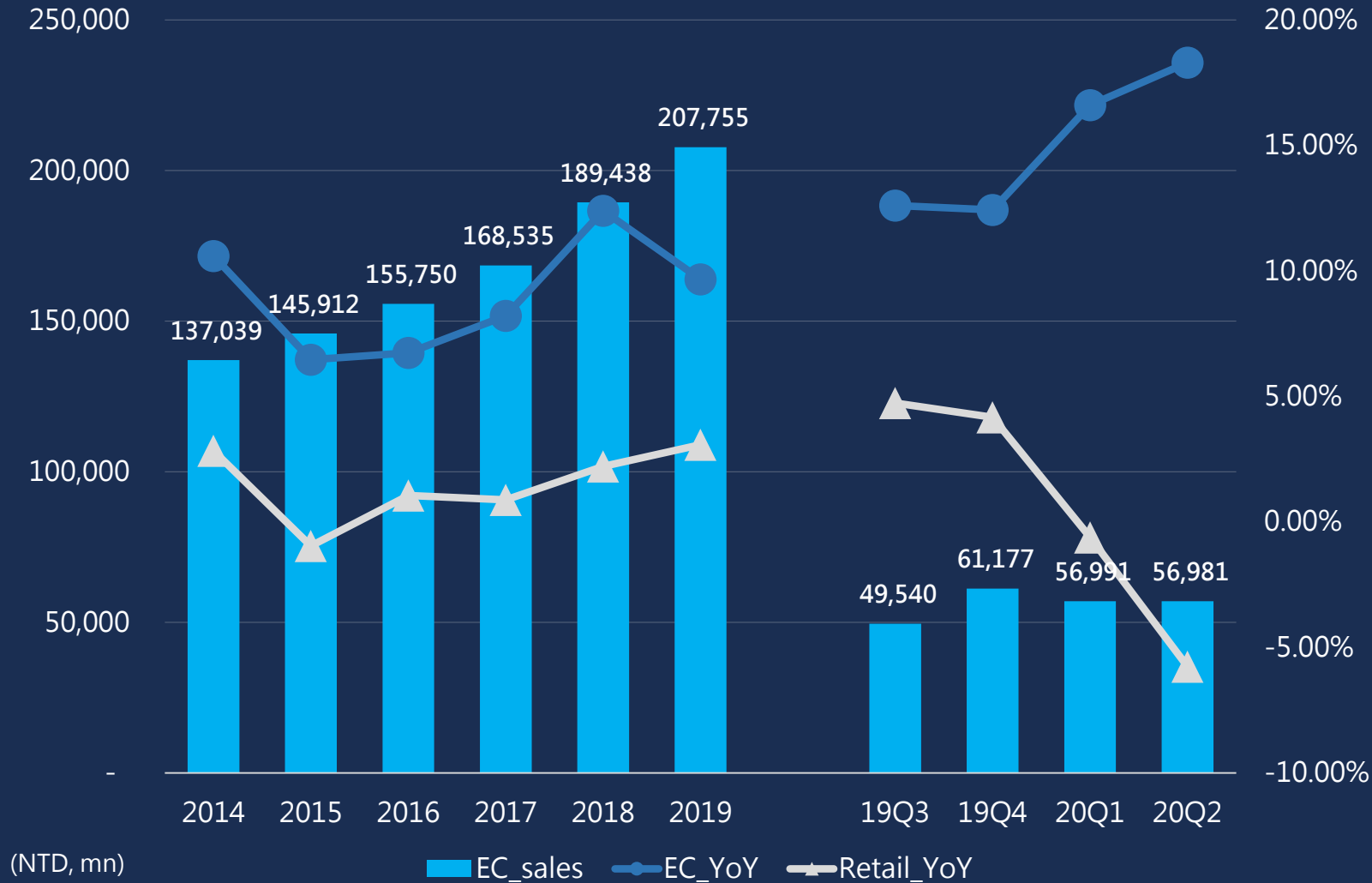
Payment



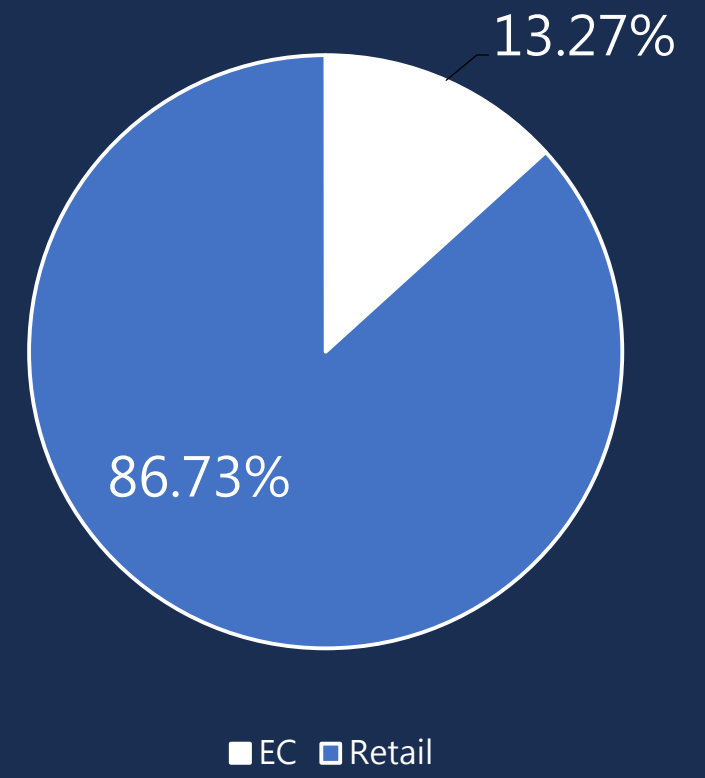
PChome Group Ecosystem



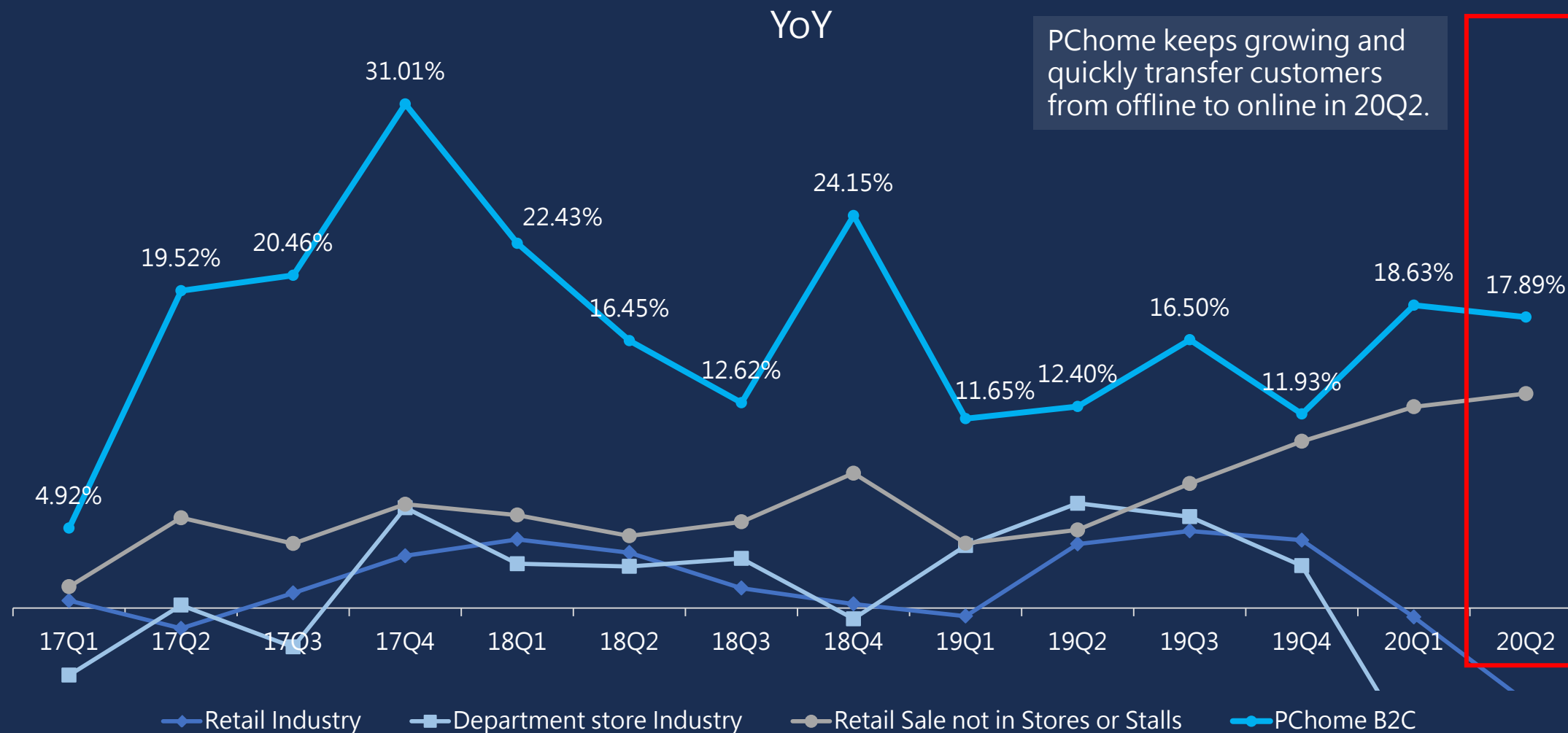
Taiwan e-Commerce vs. Total Retail



Taiwan total retail sales in 2019



Growth Higher than the Industry Average



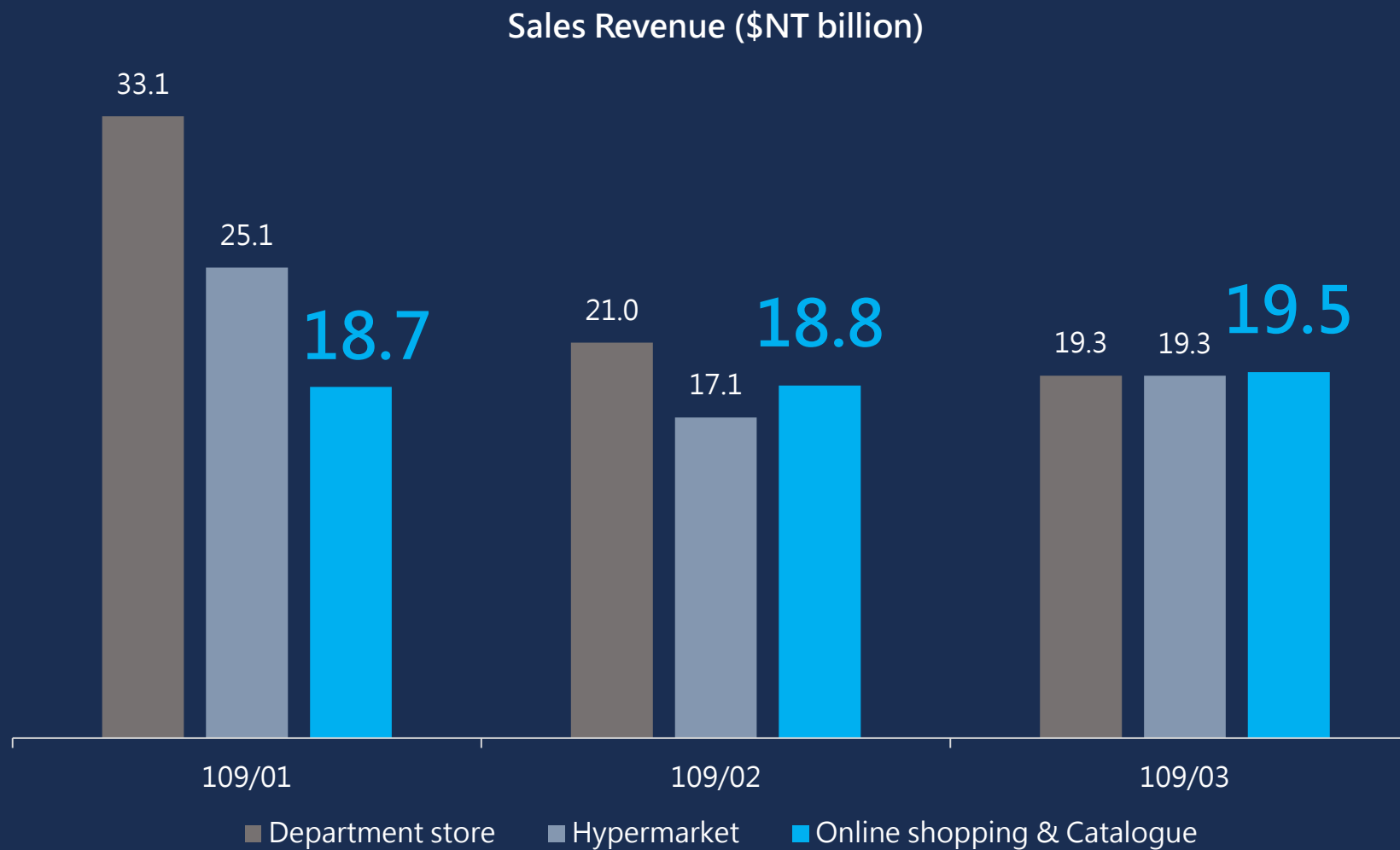
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B2C

PChome 24 shopping,
Fulfillment Service

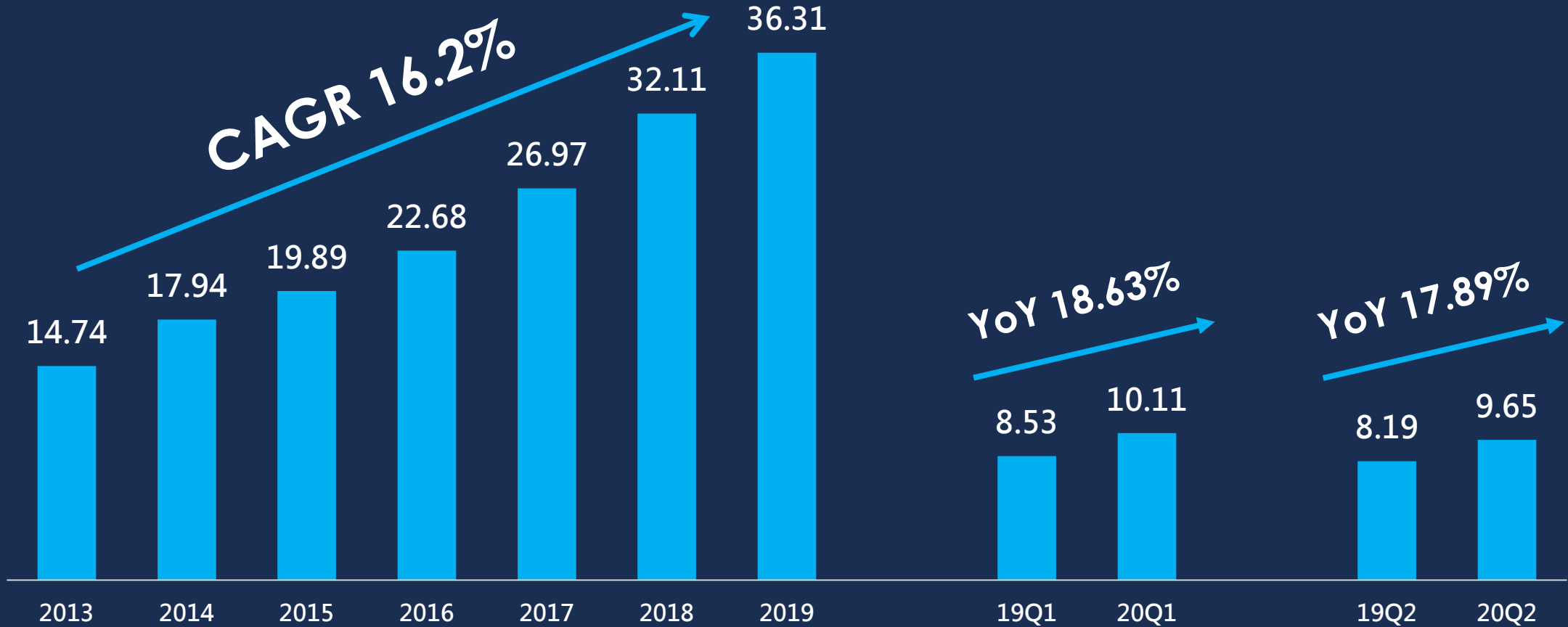


The Sales Revenue of Online Shopping Exceeded Department Store and Hypermarket Revenues in 20Q1



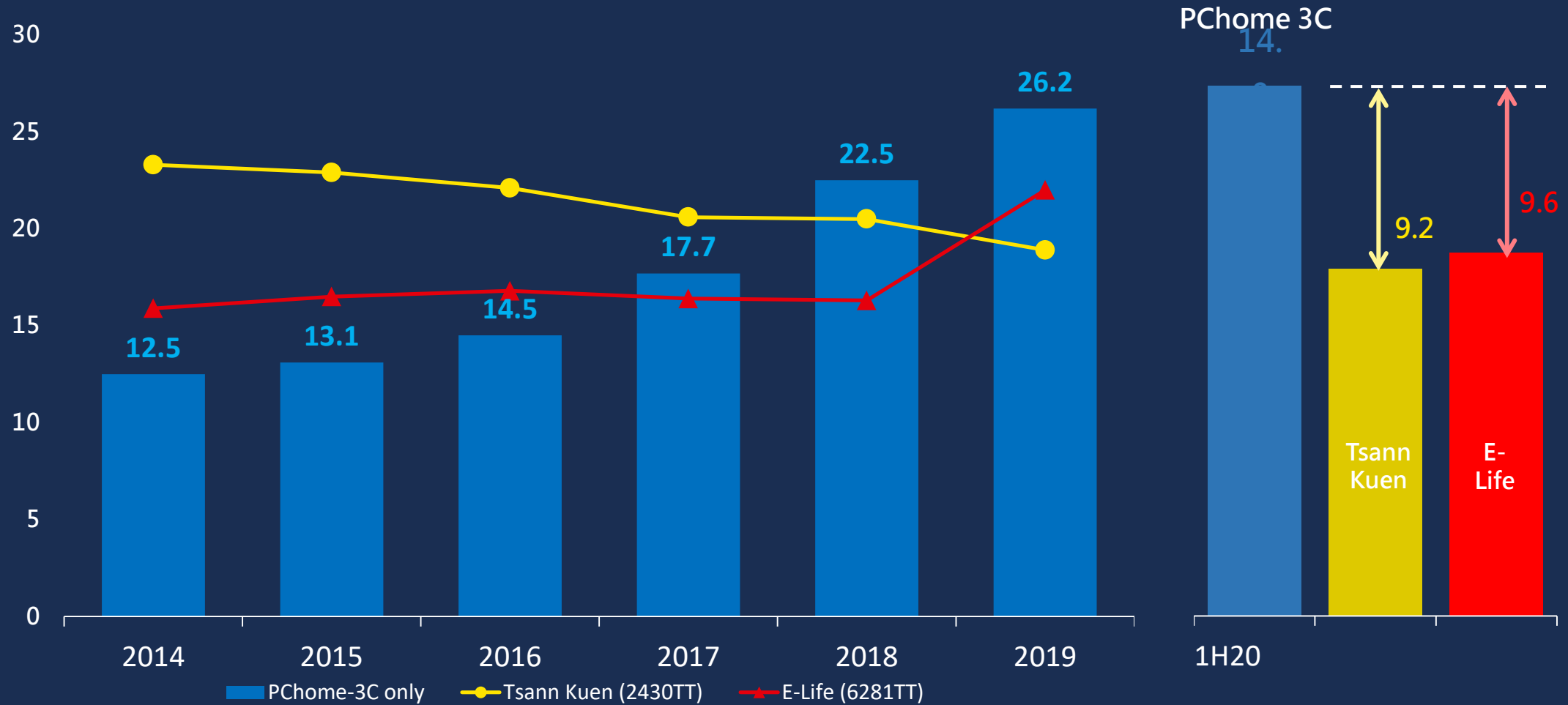
20Q2 B2C Sales +17.9% YoY

PChome B2C Yearly Revenue (\$NT billion)



The Largest 3C retailer in Taiwan

PChome 3C products, Tsann Kuen and E-Life revenues (\$NT billion)



- **2 million+ SKUs** in self-managed warehouses
- **99.7%** 24hr on-time delivery
- 7 warehouses and 1 Satellite hub with **over 230,000 m²**
- **6hr delivery** in Taipei City

Self-managed Warehouses & Logistic Fleet

網家速配
PChome Express

6hr Delivery in Taipei City

5 million

SKUs (online)

2 million

SKUs (warehouse)

24h on-time delivery

Logistic fleet : 2019

200

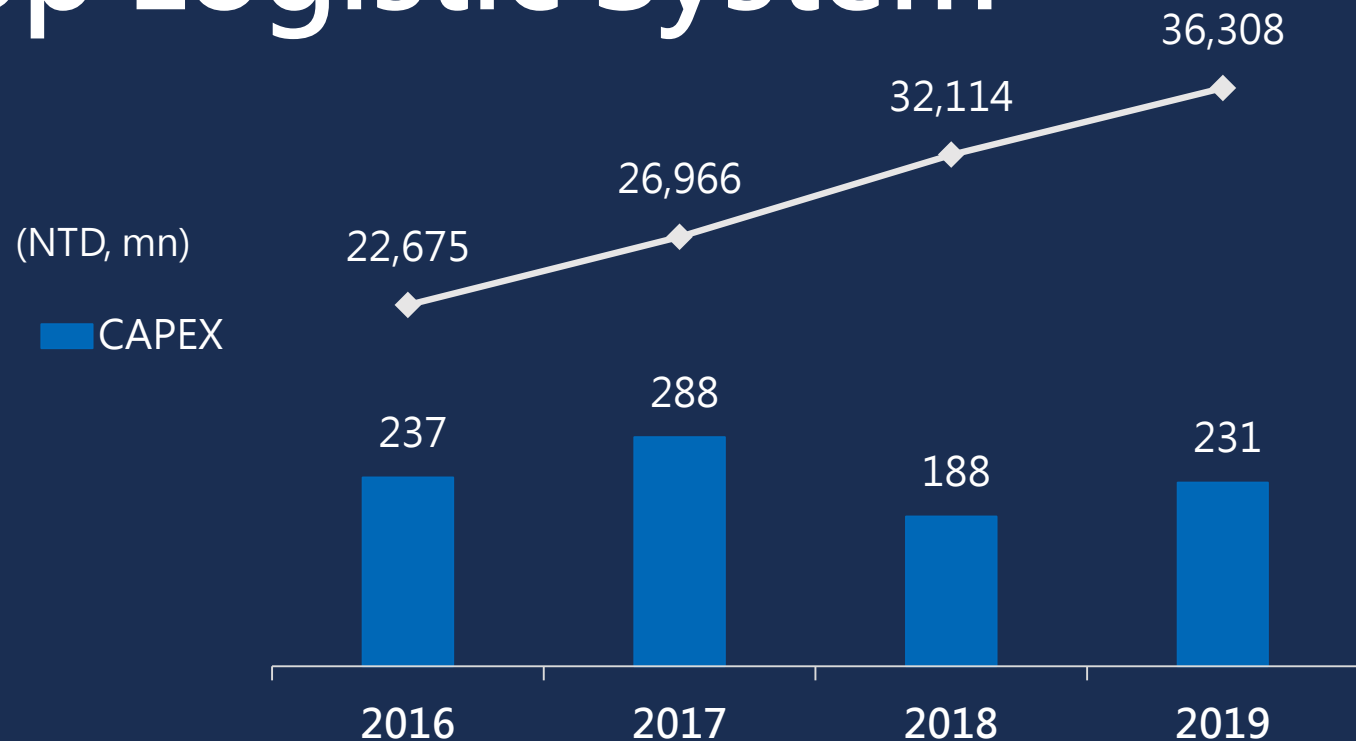
trucks and motors

Delivery capability :

20%

of daily orders

Continuously Integrating Resources to Develop Logistic System



the number of warehouses	5	7	7+Taichung warehouse	7+Taichung warehouse
total area (m²)	150,000	210,000	230,000	230,000
logistic hub	N/A	N/A	N/A	8

Offline to Online Cooperation

PChome ONLINE



watsons 2020/5/8 - 2020/6/12 單筆滿 388 元(含)以上

週五 Pi 拍錢包 付款最划算! 最高回饋 14%

綁定任一信用卡 / 餘額支付 付款	綁定玉山 Pi 信用卡 / Pi 拍錢包 付款
滿 388 元 加碼回饋 10%	不限金額 4%

最高回饋 14% (含) 以上

多買多送，回饋無上限

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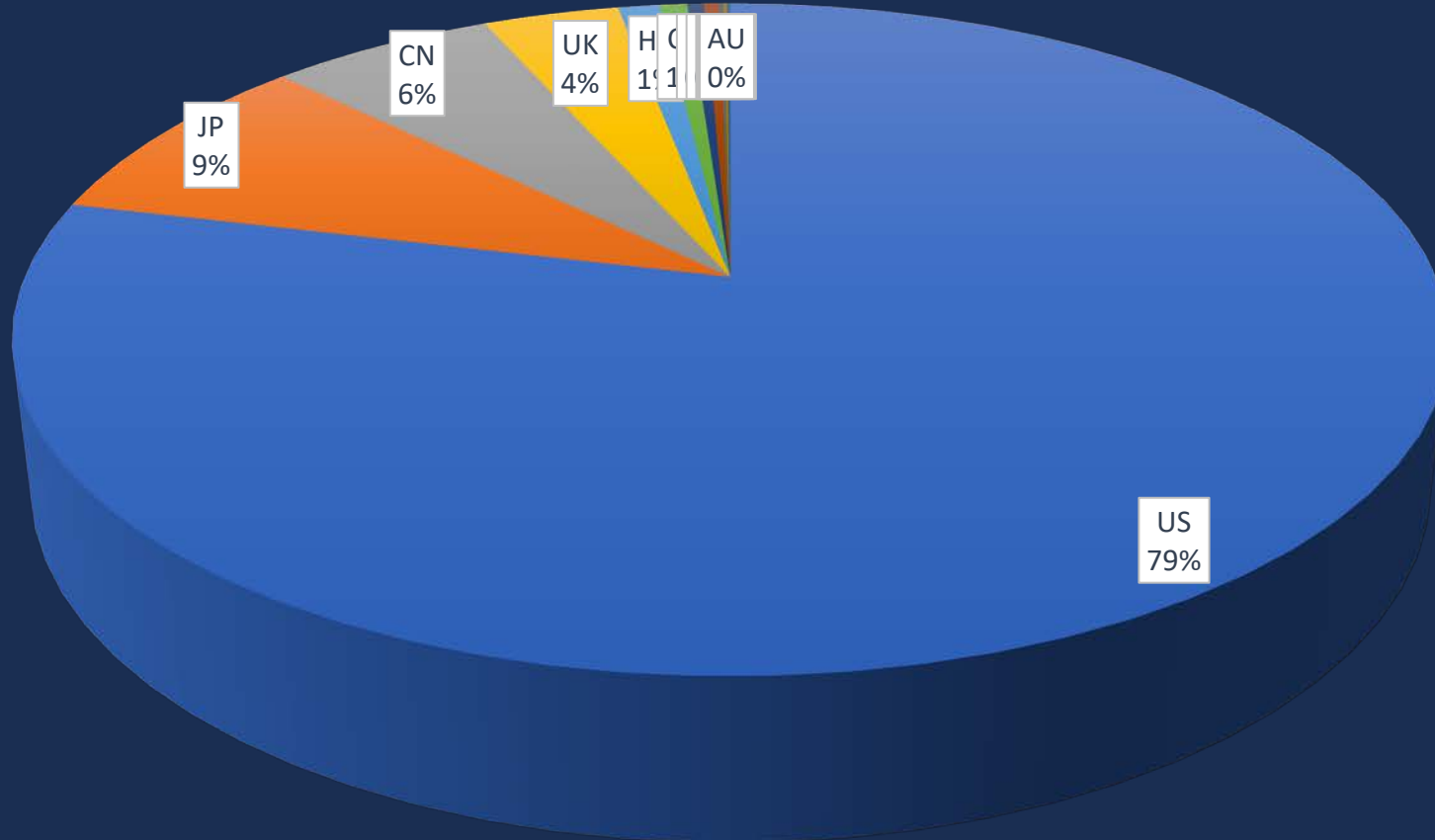
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C2C

Ruten, PChome Store



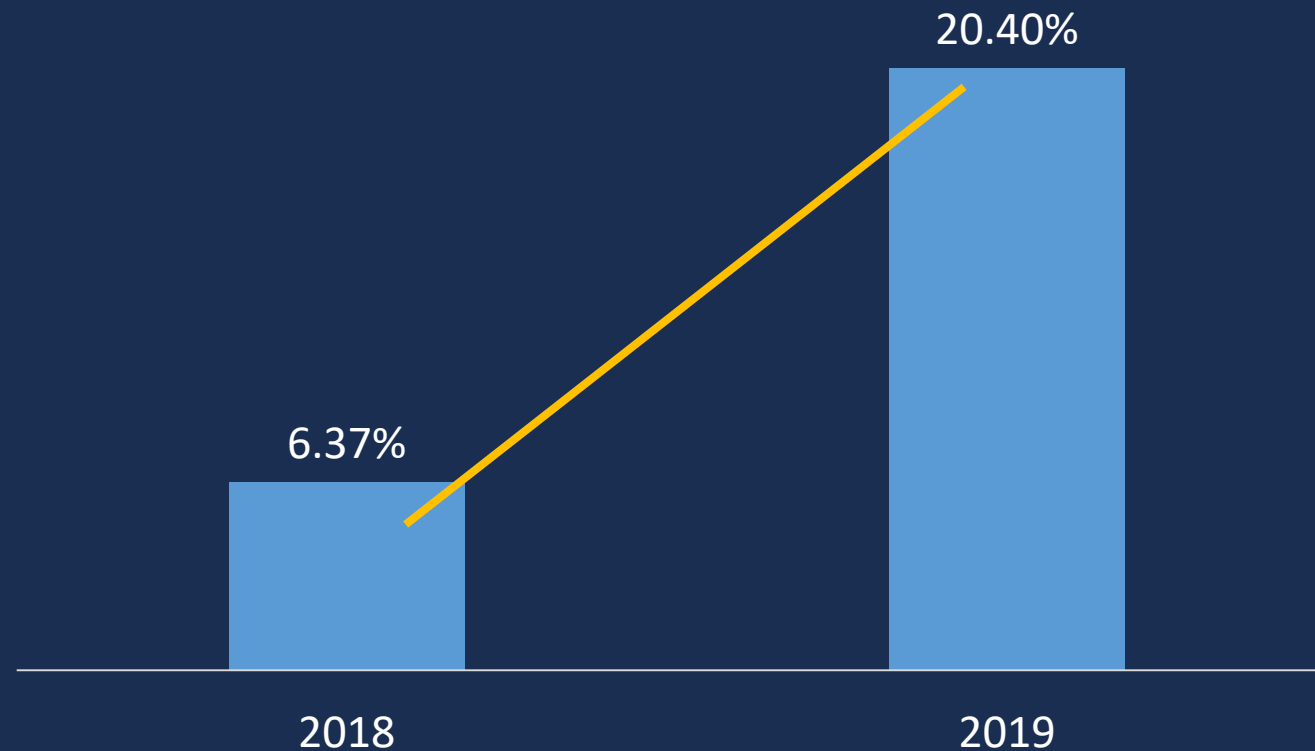
Ruten Cross Border Service Now Link to 13 Countries



US 79%
CN/HK 10%
JP/KR 9%

- US ■ JP ■ CN ■ UK ■ HK ■ CA ■ KR ■ TH ■ SG ■ MY ■ PH ■ AU

Ruten: Growing Share of Service Revenue from AI Application



PChome^{ONLINE}

FinTech

Pi Wallet, PChomepay, InterPay



Pi Wallet

(2020/4)

Members : Over **850,000**

Channels : Over **180K** store spots

Parking service coverage :

99.65 % of Taiwan



- Supermarket · Department store · Convenience store · Online shop · Restaurant · Hospital · Bus fare · Chain store · Taxi · Parking fee · Mobile bill · Credit card bill · Water bill · Electricity bill · Insurance fee ·

Pi Wallet



New Pi service in 2019 2H

- Ticket Xpress" (E-ticket)
- Travel insurance service

Top3 Usage Channels: Convenience Store, Parking fee, Online shops

Diversified CBT Shopping Service



Bibian

purchasing agent service from websites at Japan and USA



worldwide fashion selected online shop

MiTCH



比比昂

ebay



purchasing ebay US goods from Ruten

露天拍賣

Extend Service to Fresh Food and Cold Chain Logistics



- Sea Food & Beef
- Prepared Food
- Seasonal Fruits
- Small Peasant Goods

COVID-19 Online Shopping Momentum

Strong sales momentum



Early Feb

Health Safety Products : Mask, 75%Alcohol, Hand Sanitizer

Feb



Switch / workout equipment/ books

Early Mar



FMCG: toilet paper, rice, instant noodle, bottle water

Mar-Apr



Kitchen appliance/ Bakeware / Audio equipment

Apr



Work-from-home device: NB, printing machine / iphone SE

Weak sales momentum

Fashion, Camera, Mobile Phone

Thank you!!

