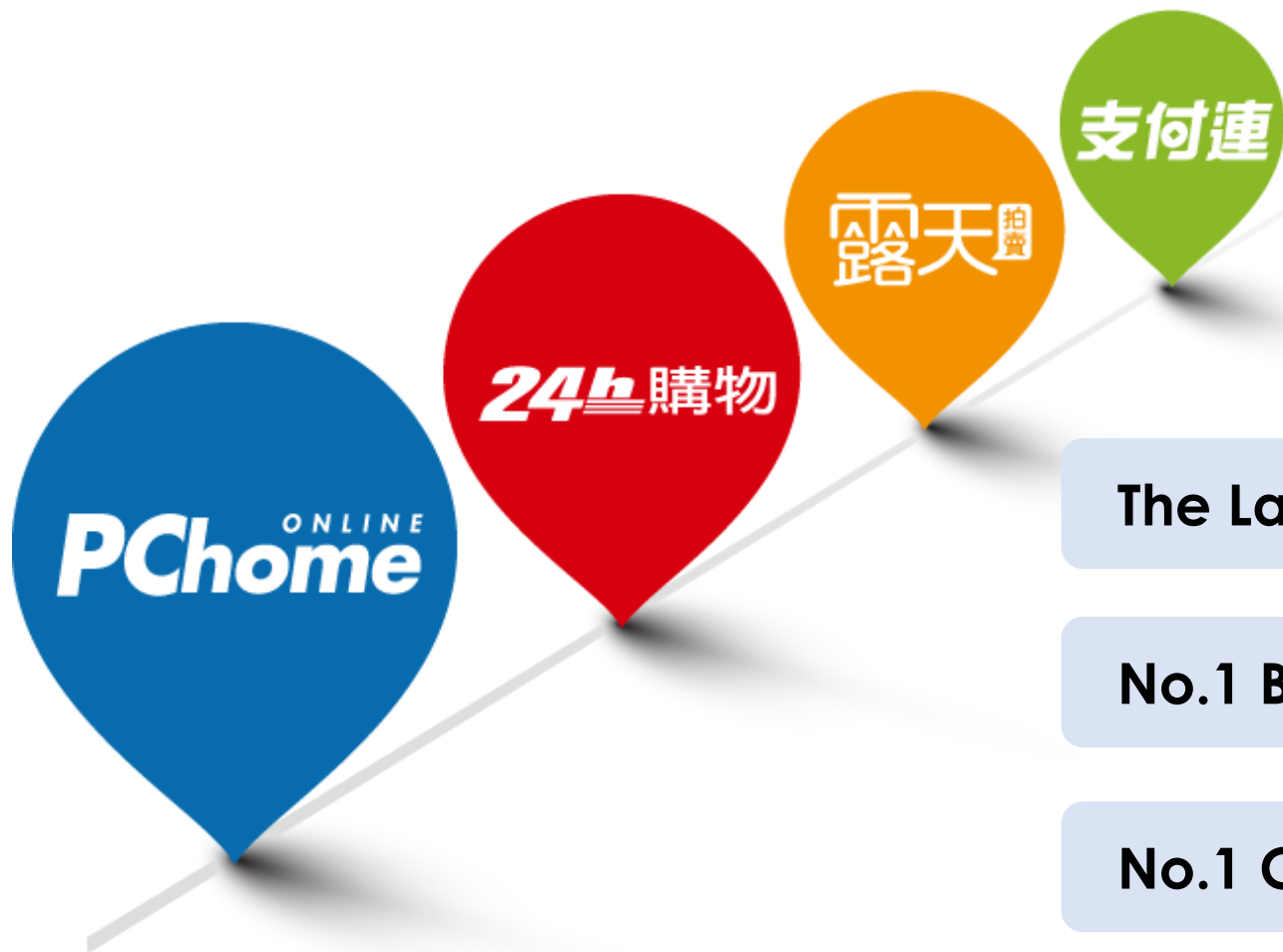


PChome Group Company Overview

Taiwan's Leading e-Commerce Group

The logo for PChome ONLINE is located in the bottom left corner. It features a blue semi-circular background. The word "PChome" is written in a large, bold, white sans-serif font. Above the "h" in "PChome", the word "ONLINE" is written in a smaller, white, all-caps sans-serif font.

PChome ONLINE



The Largest e-Commerce company in Taiwan

No.1 B2C Shopping Website

No.1 C2C Marketplace

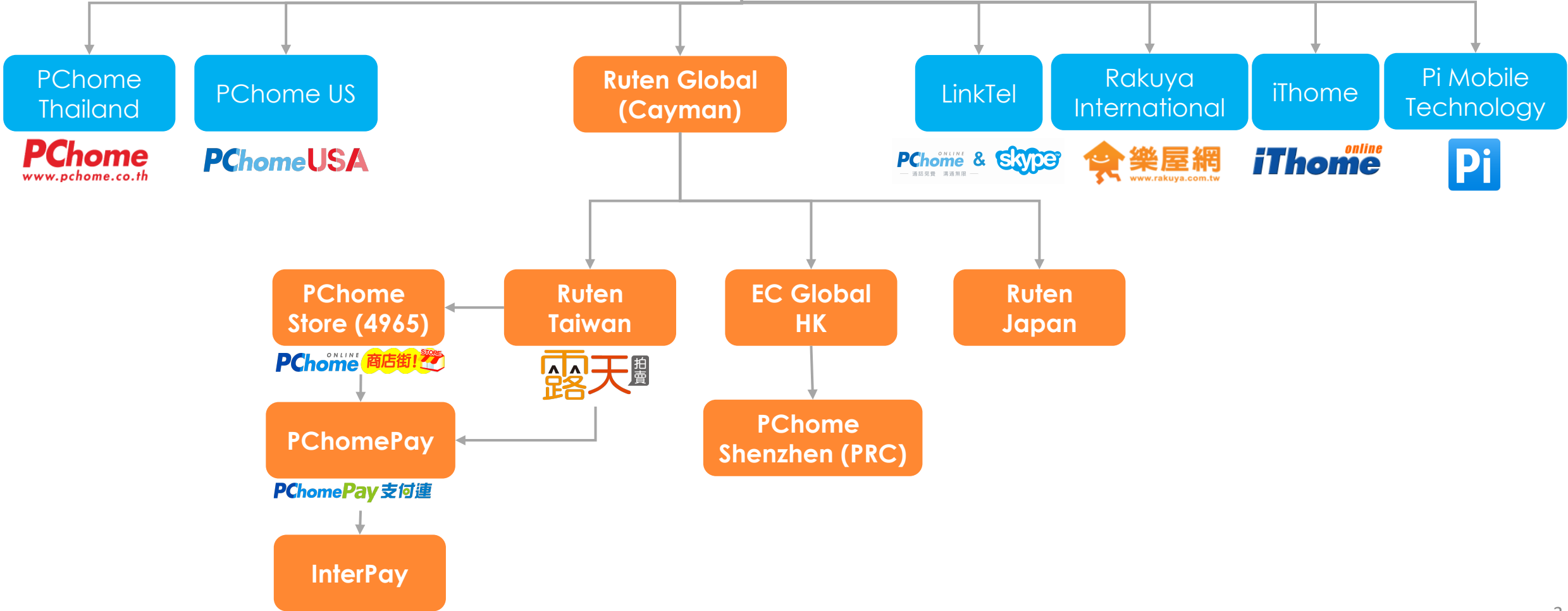
No.1 Online Payment Service

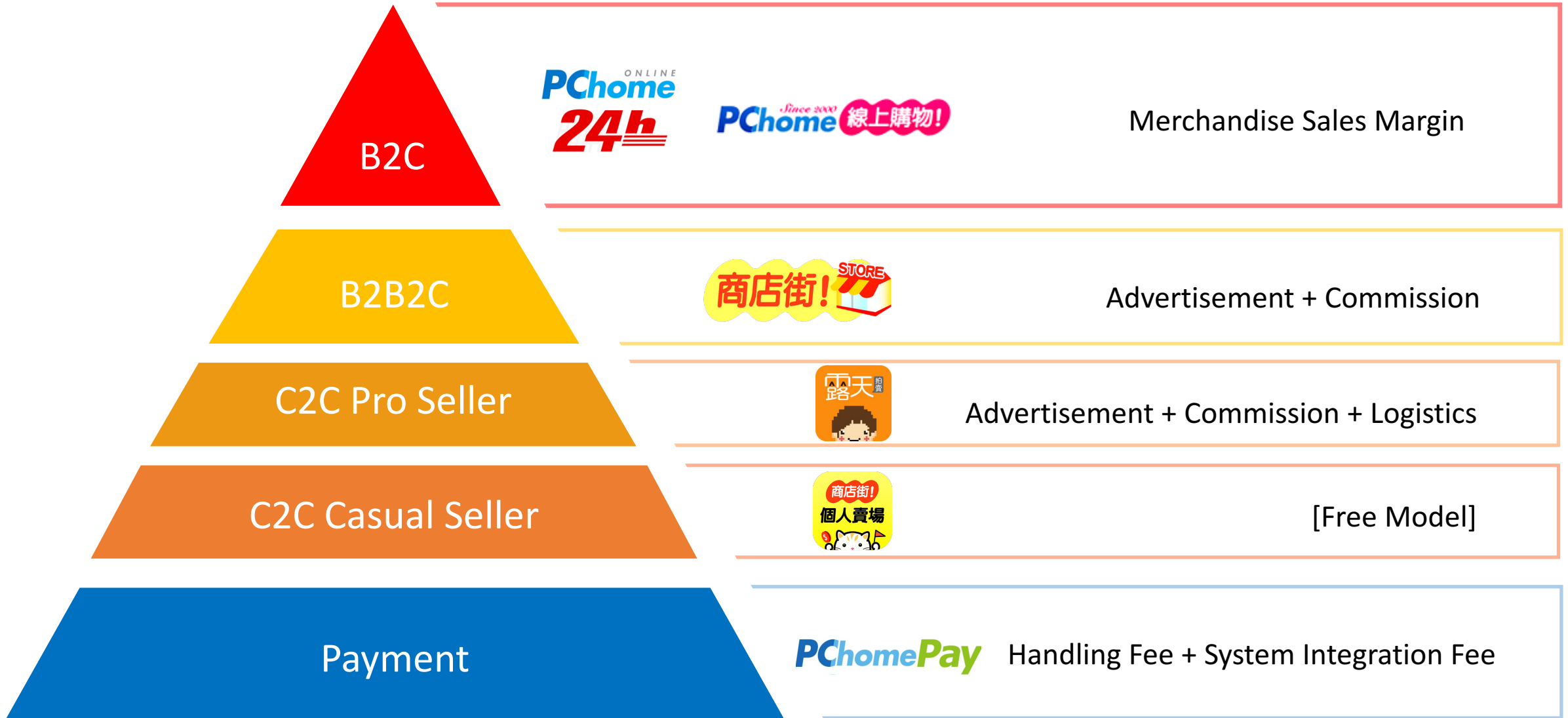
PChome ONLINE
 (8044-tw)

PChome ONLINE **24h** 購物

PChome ONLINE 線上購物!

PChome ONLINE 全球購物





24h購物

線上購物!

B2C

No.1 in Taiwan

B2C Shopping

PChome^{ONLINE} 24h 購物

SKU: 2,000,000 in stock

of warehouse: 7

Total warehouse capacity : 210,000 M²

24hr delivery guarantee (\$100 if late)

Taipei City 6hr delivery

PChome^{ONLINE} 線上購物!

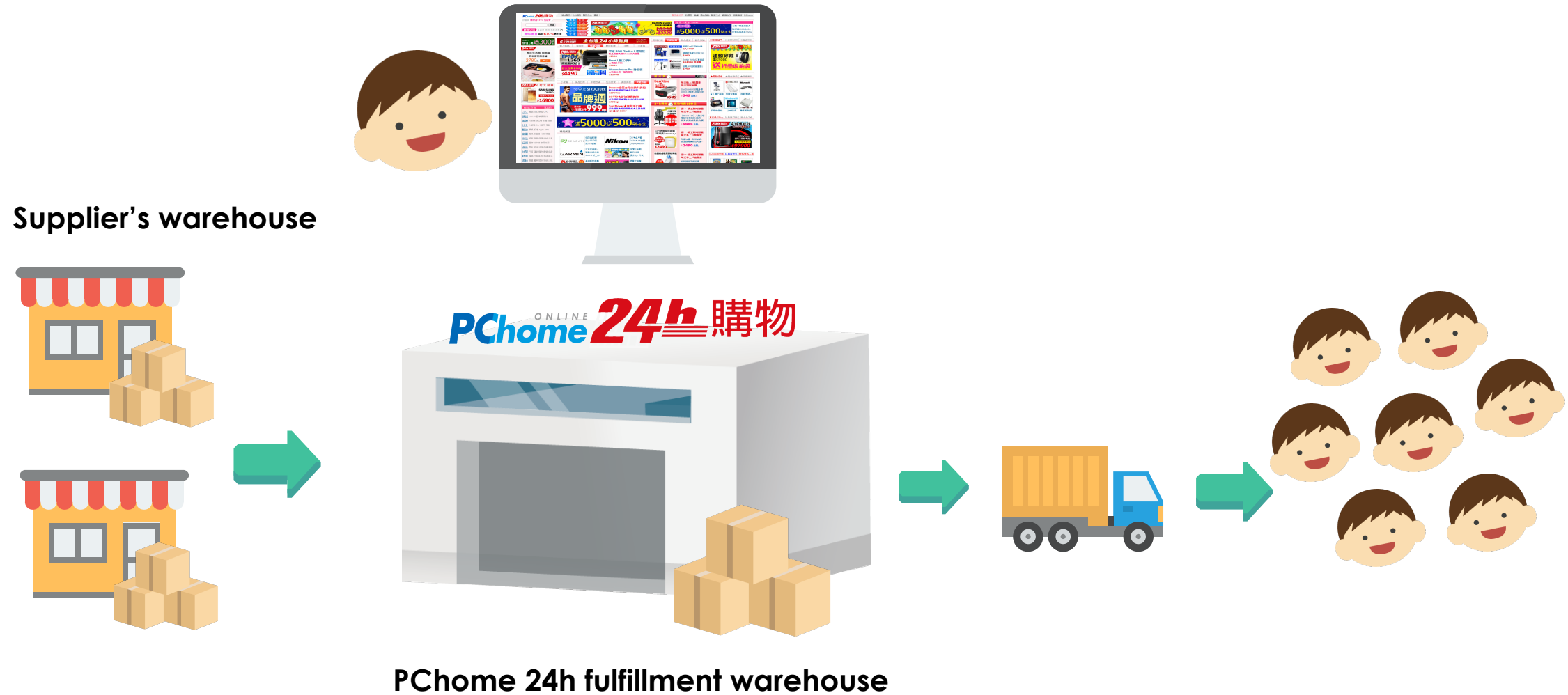
SKU: Over 3,000,000

Suppliers : Over 6,000

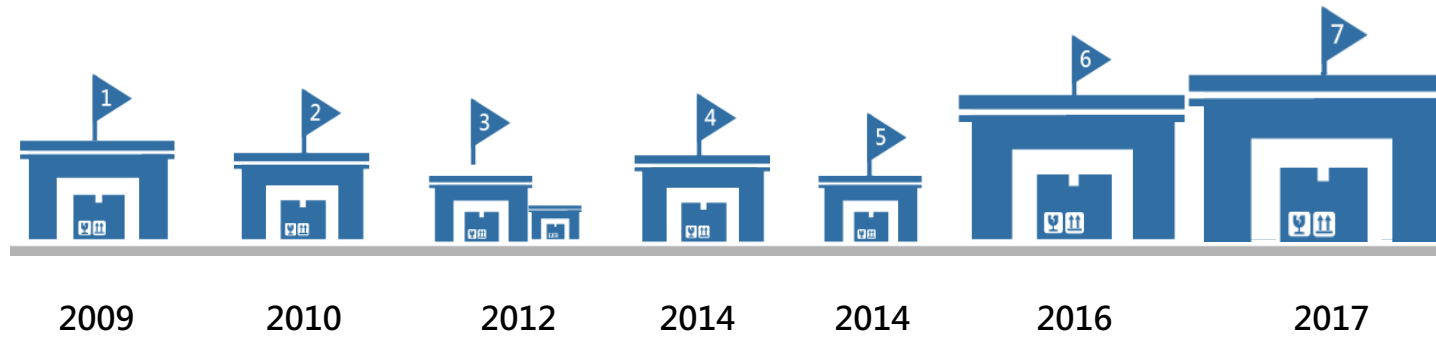
Ship from suppliers to customers

Delivery time: 2-4 days

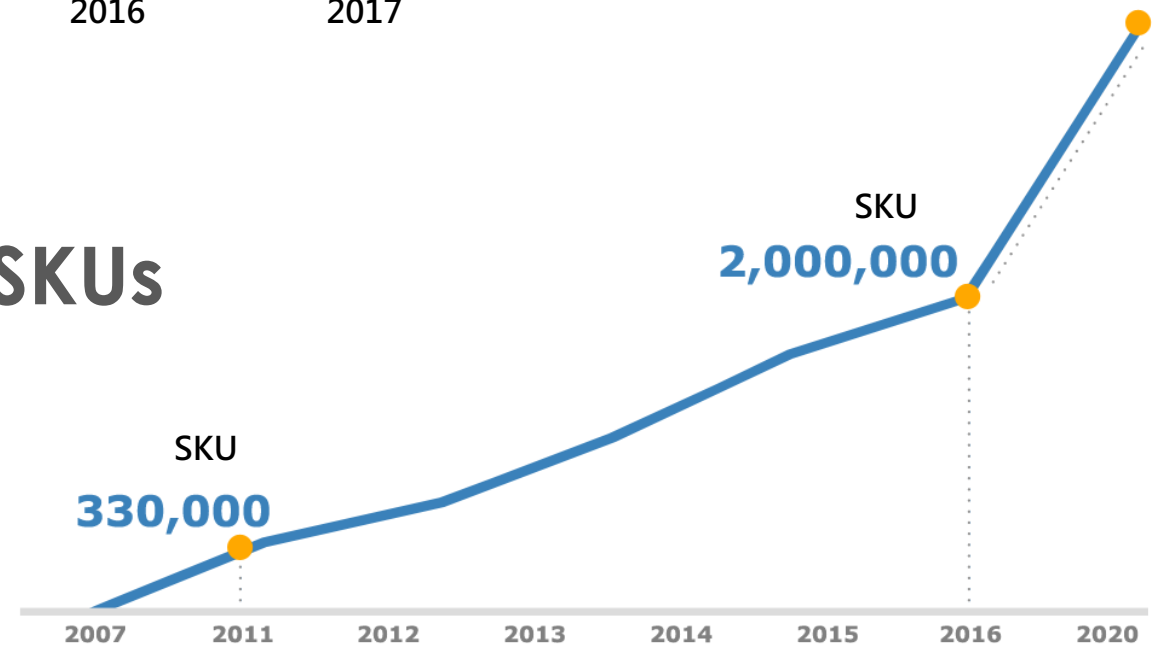
Our B2C Consignment Model



Now we have total 7 warehouses

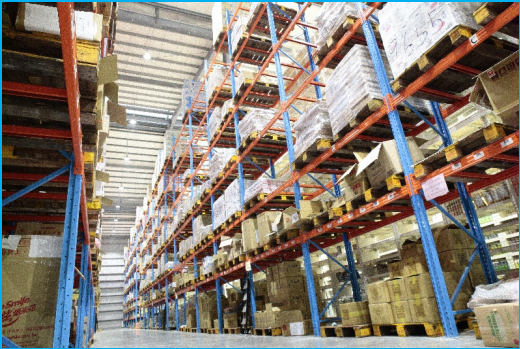


Sustained increase in SKUs



PChome 24h shipped 2,000,000 products across Taiwan

PChome^{ONLINE}

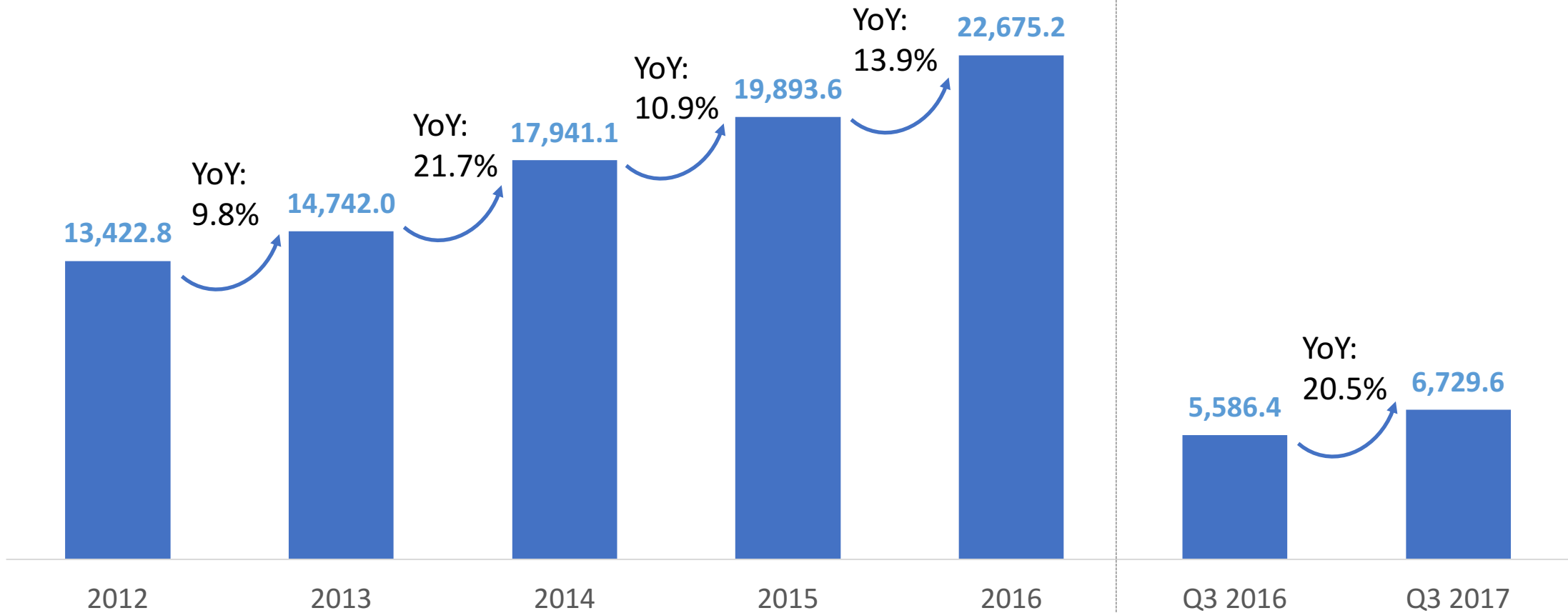


SKU: Over 2,000,000 in stock

Total Warehouse area: 210,000M²
(Data as of May 2017)

B2C Revenues

(in millions of TWD)





20x
Hyper
market

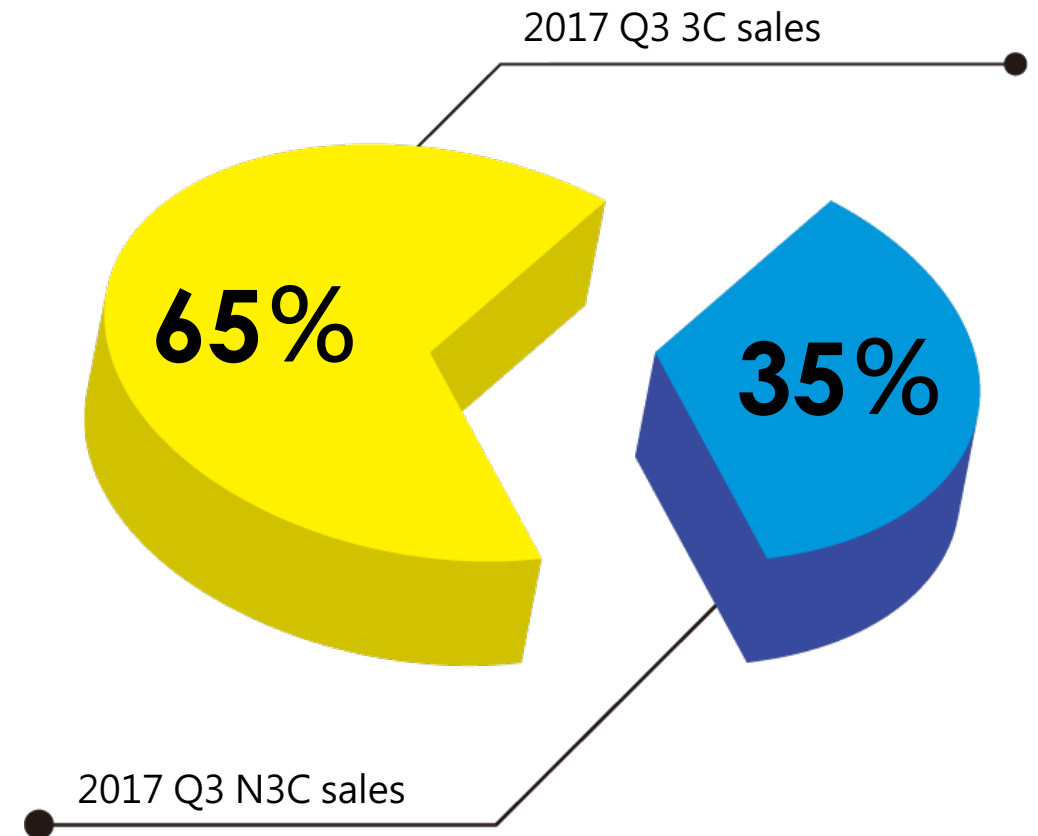
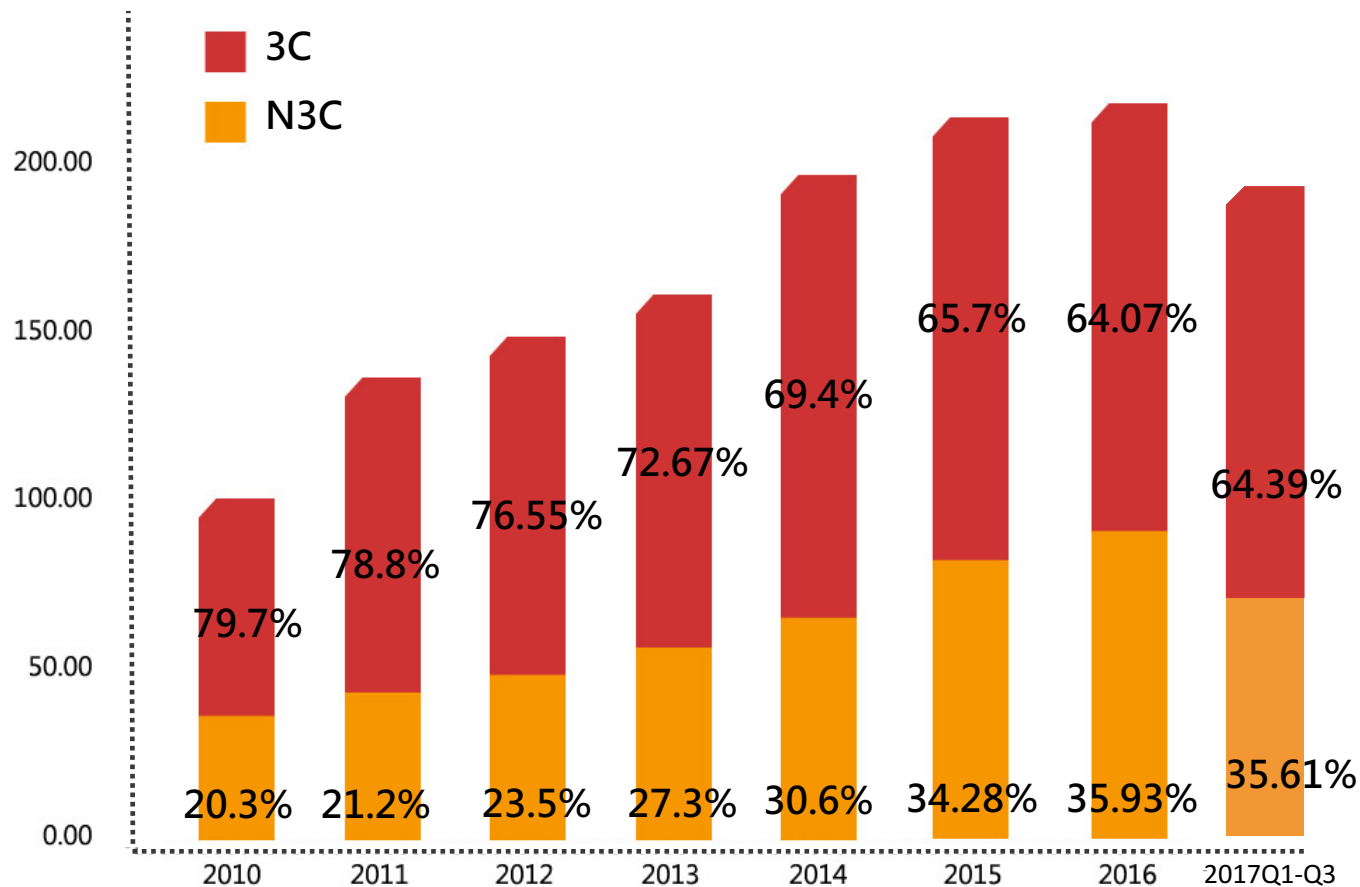
Non
inventory

99.7%
24hr ontime
delivery

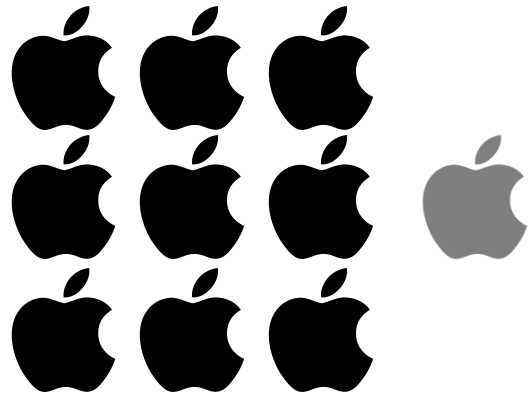
2m SKU
in
warehouse

2010-2017 / 3C vs N3C Sales

The increase of 3C sales proportion is mainly from higher-than-expected smartphone sales



Brand





No.1 in Taiwan

Biggest marketplace in Taiwan

Over **320 million** listings
15 million users



PCstore:

50,000 vendors till today,
grows above **100%**



Ruten:

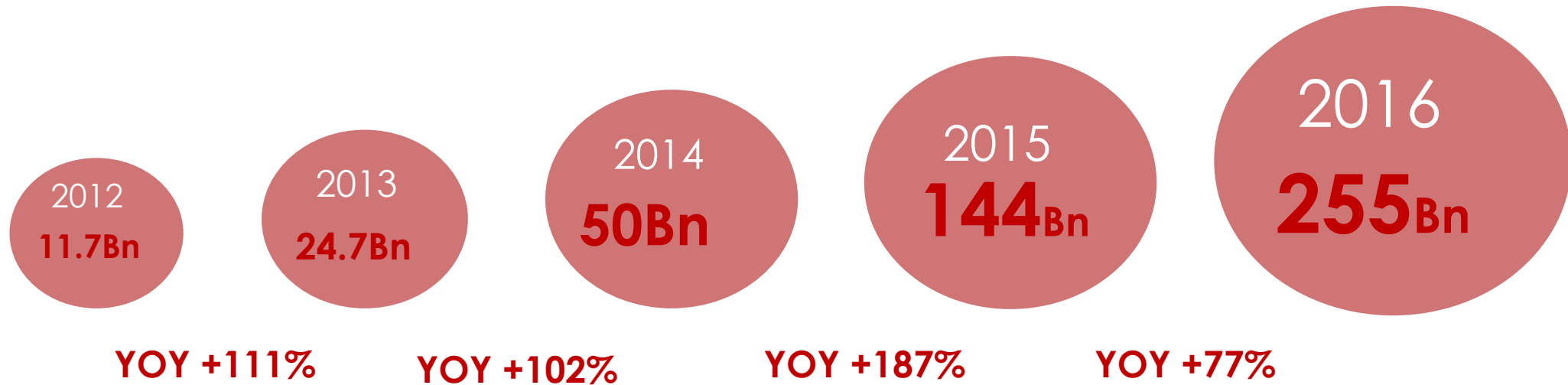
2016 GMV exceeds **NT\$250 billion**



Personal Store:

More than **6 million** monthly transactions*

Ruten 2016 GMV NTD 255Bn



Free Model Marketplace – Personal Store



\$0

Listing Fee

Credit Card Processing Fee

Final Value Fee

Convenience Store Delivery Fee

Withdrawing Fee

- ✓ Transaction number grows **800 times**
- ✓ More than **170 million** listings
- ✓ **1.5 million** LIKEs on Facebook Fans Page
- ✓ **2.7 million** members for LINE official account
- ✓ Convenience Store delivery via **8,200 stores**



Personal Store 2017 Timeline

Jan.

- CVS \$199 free shipping



Mar.

- Cancel credit card handling Fee 2%

Apr.

- \$0 withdrawing fee
- CVS \$99 free shipping
- APP launched

Jun.

- \$0 ATM order cancellation fee

Jul.

- In-APP Messaging function launched

Aug.

- CVS \$0 free shipping
- Free ice cream for CVS shipping



Sep.



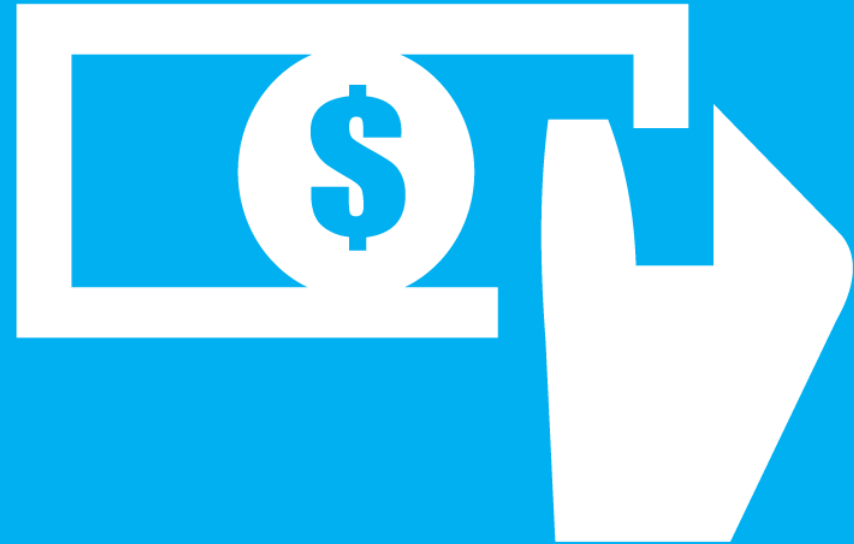
- 1,000,000 LIKES on FB fans page
- Free Line stickers launched
- Re-usable coupon released

Oct.



- FamilyMart CVS \$0 free shipping
- Free drinks for FamilyMart

Payment



Largest Online Payment Service in Taiwan

PChomePay 支付連

- 4.9 millions users
- Over 86 million products
- Support 13 banks express payment
- Provide 30 credit cards pay in full and 18 credit cards installment of 3-12 periods
- Connected with 4 major convenience stores brands with more than 10k stores
- Offer T-Cat logistics & COD service

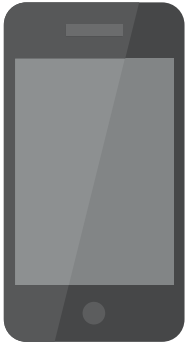




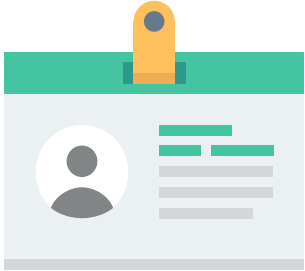
Pi 行動錢包

- Scheme : Mobile Payment with credit card
- # of Downloads : More than 150k
- Service Scope:
 - ✓ Convenience Store
 - ✓ Hospital
 - ✓ Parking Fee
 - ✓ Donation
 - ✓ Food Delivery

2018 Business Develop Plan



MOBILE



LOYALTY PROGRAM



BRAND



FUNDAMENTAL

Financial Update

2017 vs 2016 Q3 Income statement (IFRS-consolidated)

| IFRS-Consolidated | | | | | | | | | | |
|--------------------------|-----------|--------|-----------|--------|----------|------------|--------|------------|--------|----------|
| NTD :000 | 2017 3Q | % | 2016 3Q | % | Variance | 2017 YTD | % | 2016 YTD | % | Variance |
| Revenue | 7,298,823 | 100.0% | 6,334,033 | 100.0% | 15.2% | 21,080,016 | 100.0% | 19,104,836 | 100.0% | 10.3% |
| Gross Margin | 1,105,422 | 15.1% | 1,087,657 | 17.2% | 1.6% | 3,343,025 | 15.9% | 3,278,065 | 17.2% | 2.0% |
| Operating Expense | 1,200,835 | 16.5% | 855,190 | 13.5% | 40.4% | 3,048,721 | 14.5% | 2,449,275 | 12.8% | 24.5% |
| marketing Expense | 1,063,834 | 14.6% | 674,272 | 10.6% | 57.8% | 2,585,349 | 12.3% | 1,899,218 | 9.9% | 36.1% |
| Administration expense | 66,854 | 0.9% | 111,165 | 1.8% | -39.9% | 253,077 | 1.2% | 349,308 | 1.8% | -27.5% |
| R&D expense | 70,147 | 1.0% | 69,753 | 1.1% | 0.6% | 210,295 | 1.0% | 200,749 | 1.1% | 4.8% |
| Operating Income | (95,413) | -1.3% | 232,467 | 3.7% | -141.0% | 294,304 | 1.4% | 828,790 | 4.3% | -64.5% |
| Net non-operating income | (1,118) | 0.0% | 1,145 | 0.0% | -197.6% | 5,640 | 0.0% | 16,946 | 0.1% | -66.7% |
| Net income before tax | (96,531) | -1.3% | 233,612 | 3.7% | -141.3% | 299,944 | 1.4% | 845,736 | 4.4% | -64.5% |
| Net income after tax | (134,638) | -1.8% | 184,302 | 2.9% | -173.1% | 183,942 | 0.9% | 666,252 | 3.5% | -72.4% |

2017 vs 2016 Q3 Income statement (IFRS-unconsolidated)

IFRS-unconsolidated

| | NTD :000 | 2017 3Q | % | 2016 3Q | % | Variance | 2017 YTD | % | 2016 YTD | % | Variance |
|--------------------------|----------|-----------|--------|-----------|--------|----------|------------|--------|------------|--------|----------|
| Revenue | | 6,729,577 | 100.0% | 5,586,415 | 100.0% | 20.5% | 19,218,904 | 100.0% | 16,762,076 | 100.0% | 14.7% |
| Gross Margin | | 979,761 | 14.6% | 897,659 | 16.1% | 9.1% | 2,900,631 | 15.1% | 2,675,554 | 16.0% | 8.4% |
| Operating Expense | | 800,416 | 11.9% | 706,404 | 12.6% | 13.3% | 2,298,284 | 12.0% | 2,018,845 | 12.0% | 13.8% |
| Operating Income | | 179,345 | 2.7% | 191,255 | 3.4% | -6.2% | 602,347 | 3.1% | 656,709 | 3.9% | -8.3% |
| Net non-operating income | | (175,842) | -2.6% | 12,765 | 0.2% | -1477.5% | (202,701) | -1.1% | 77,104 | 0.5% | -362.9% |
| Net income before tax | | 3,503 | 0.1% | 204,020 | 3.7% | -98.3% | 399,646 | 2.1% | 733,813 | 4.4% | -45.5% |
| Net income after tax | | (14,511) | -0.2% | 169,682 | 3.0% | -108.6% | 325,692 | 1.7% | 619,628 | 3.7% | -47.4% |

2017 vs 2016 Q3 FY Balance Sheet (IFRS-consolidated)

| ASSET | 2017.9.30 | | 2016.9.30 | | Variance | |
|--|-------------------|------------|------------------|------------|------------------|-------------|
| Cash and cash equivalents | 8,205,275 | 76 | 7,812,028 | 78 | 393,247 | 5.0 |
| Notes receivable, net | 2,611 | 0 | 2,593 | 0 | 18 | 0.7 |
| Accounts receivable, net | 275,190 | 3 | 352,171 | 4 | (76,981) | -21.9 |
| Other receivables | 357,135 | 3 | 242,921 | 2 | 114,214 | 47.0 |
| Inventories, net | 731,347 | 7 | 507,888 | 5 | 223,459 | 44.0 |
| Other financial assets-current | 305,691 | 3 | 319,011 | 3 | (13,320) | -4.2 |
| Other current assets | <u>80,773</u> | <u>1</u> | <u>64,023</u> | <u>1</u> | <u>16,750</u> | <u>26.2</u> |
| CURRENT ASSET | <u>9,958,022</u> | <u>92</u> | <u>9,300,635</u> | <u>93</u> | <u>657,387</u> | <u>7.1</u> |
| NON-CURRENT ASSET | <u>829,586</u> | <u>8</u> | <u>667,174</u> | <u>7</u> | <u>162,412</u> | <u>24.3</u> |
| TOTAL ASSETS | <u>10,787,608</u> | <u>100</u> | <u>9,967,809</u> | <u>100</u> | <u>819,799</u> | <u>8.2</u> |
| TOTAL LIABILITIES & STOCKHOLDERS' EQUITY | | | | | | |
| CURRENT LIABILITIES | <u>5,043,574</u> | <u>48</u> | <u>4,112,890</u> | <u>42</u> | <u>930,684</u> | 22.6 |
| NON-CURRENT LIABILITIES | <u>23,456</u> | <u>0</u> | <u>13,488</u> | <u>0</u> | <u>2,439</u> | |
| TOTAL LIABILITIES | <u>5,067,030</u> | <u>47</u> | <u>4,126,378</u> | <u>41</u> | <u>940,652</u> | 22.8 |
| Common stock | 1,171,595 | 10 | 1,103,161 | 10 | 68,434 | 6.2 |
| Capital surplus | 2,507,459 | 23 | 2,497,037 | 25 | 10,422 | 0.4 |
| Legal reserve | 404,535 | 4 | 327,935 | 3 | 76,600 | 23.4 |
| Special reserve | 2,781 | 0 | 4,271 | 0 | (1,490) | -34.9 |
| Retained earnings-unappropriated | 944,609 | 8 | 1,170,112 | 11 | (225,503) | -19.3 |
| Exchange differences on translation of foreign operations | (3,645) | -0 | (2,360) | -0 | (1,285) | 54.4 |
| Total owners' equity attributable to equity holders of the parent company | 5,027,334 | 46 | 5,100,156 | 50 | (72,822) | -1.4 |
| Non-controlling Interest | <u>693,244</u> | <u>6</u> | <u>741,275</u> | <u>7</u> | <u>(48,031)</u> | <u>-6.5</u> |
| TOTAL STOCKHOLDERS' EQUITY | <u>5,720,578</u> | <u>53</u> | <u>5,841,431</u> | <u>59</u> | <u>(120,853)</u> | <u>-2.1</u> |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | <u>10,787,608</u> | <u>100</u> | <u>9,967,809</u> | <u>100</u> | <u>819,799</u> | <u>8.2</u> |

Thank you!!