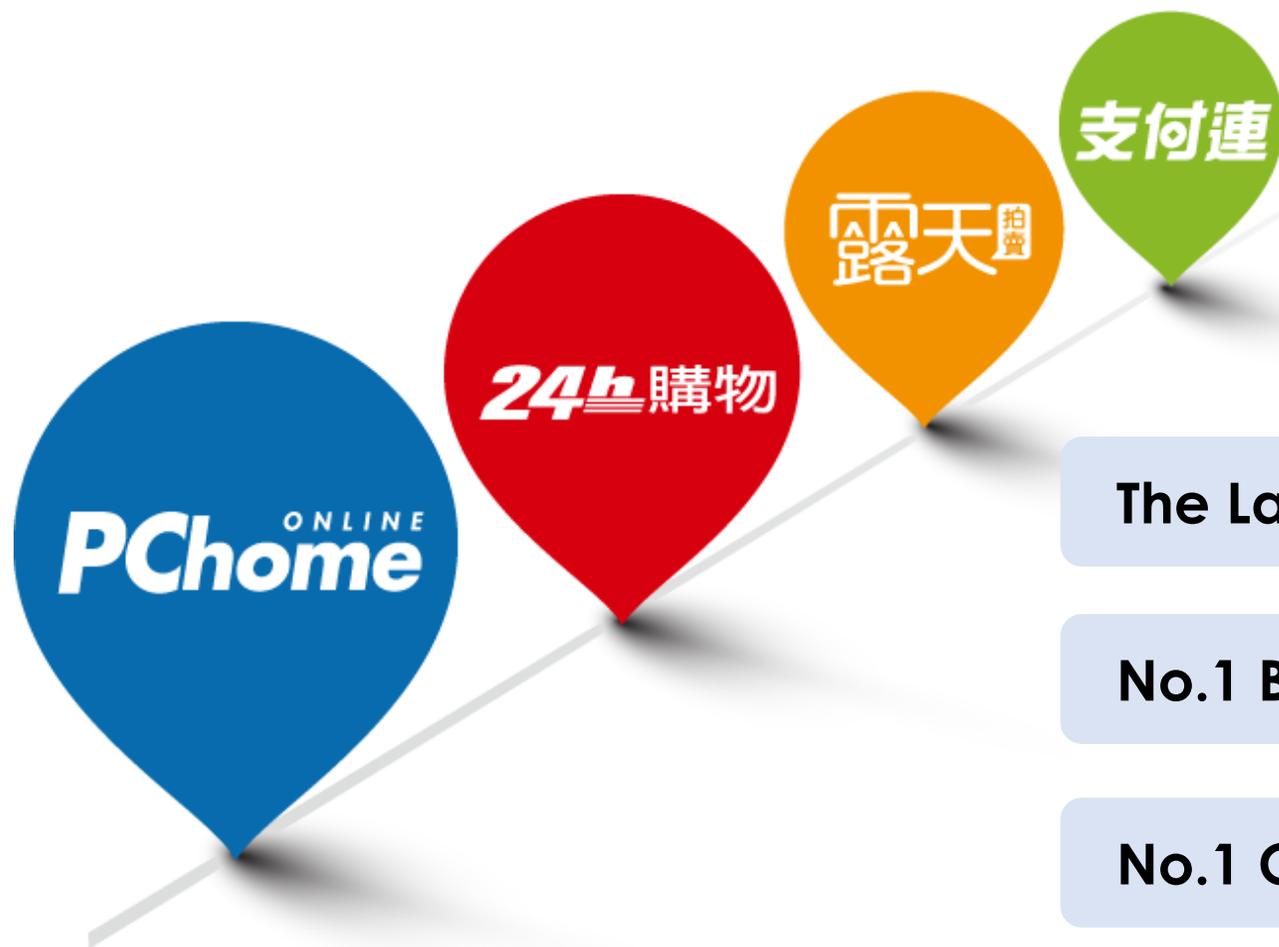


PChome Group Company Overview

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

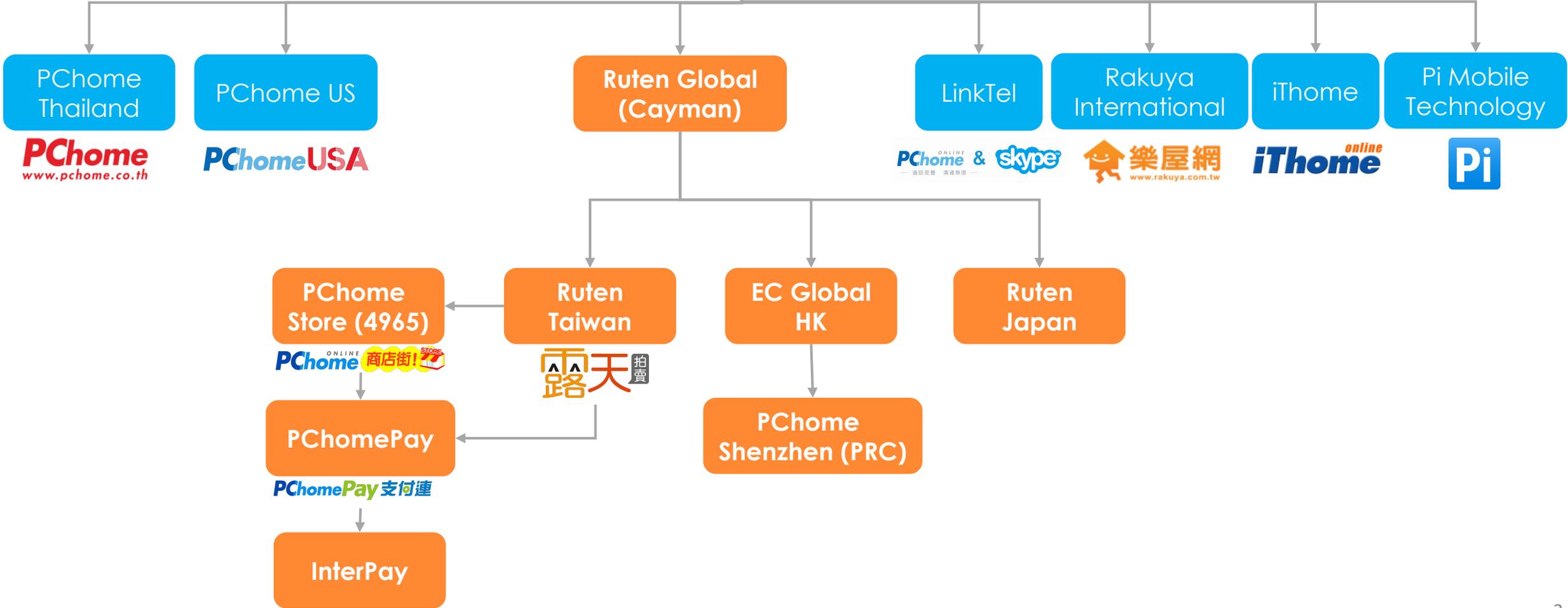
No.1 Online Payment Service

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!

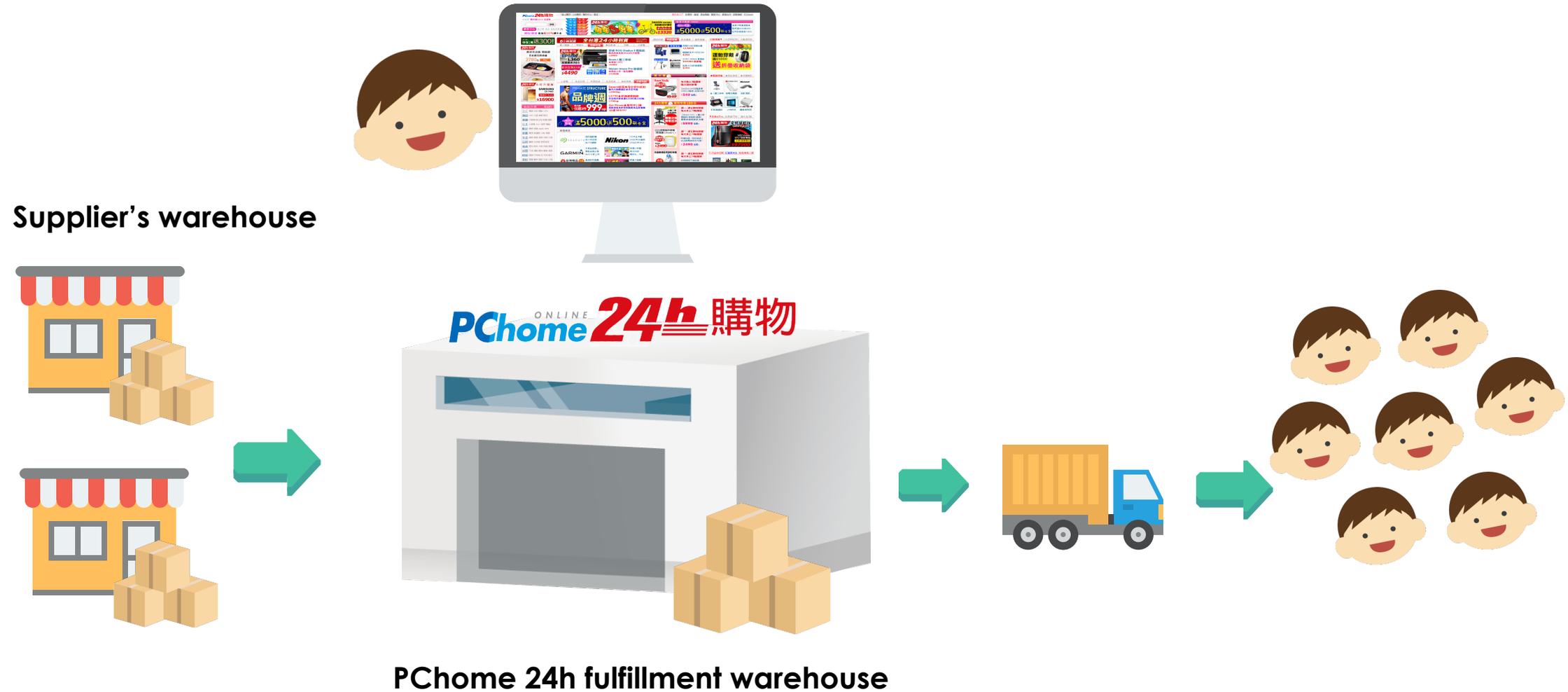
SKU: Over 3,000,000

Suppliers : Over 6,000

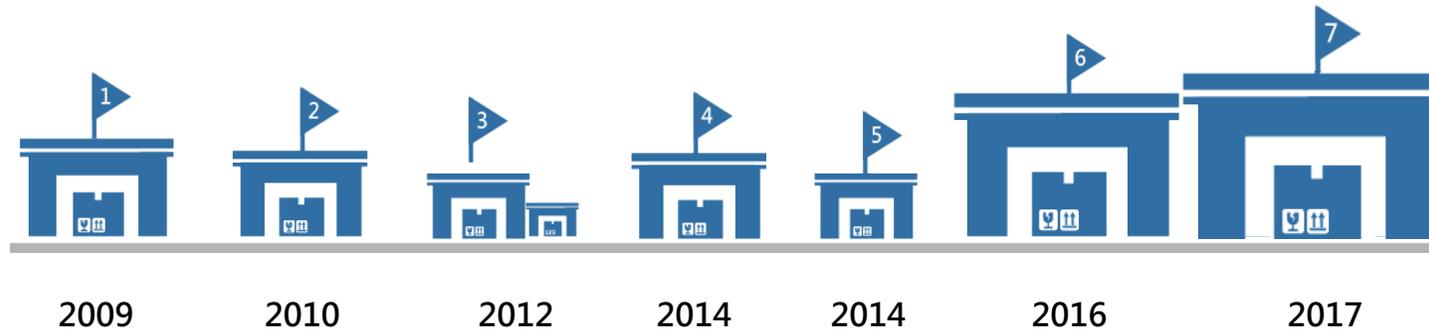
Ship from suppliers to customers

Delivery time: 2-4 days

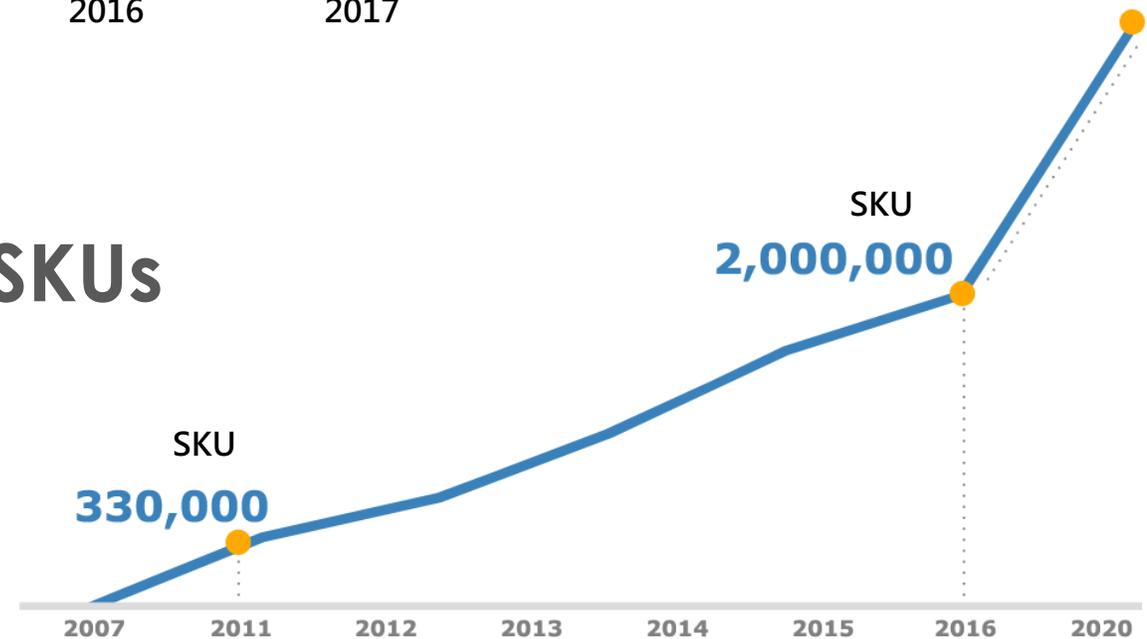
Our B2C Consignment Model



Now we have total 7 warehouses



Sustained increase in SKUs



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

PChome^{ONLINE}

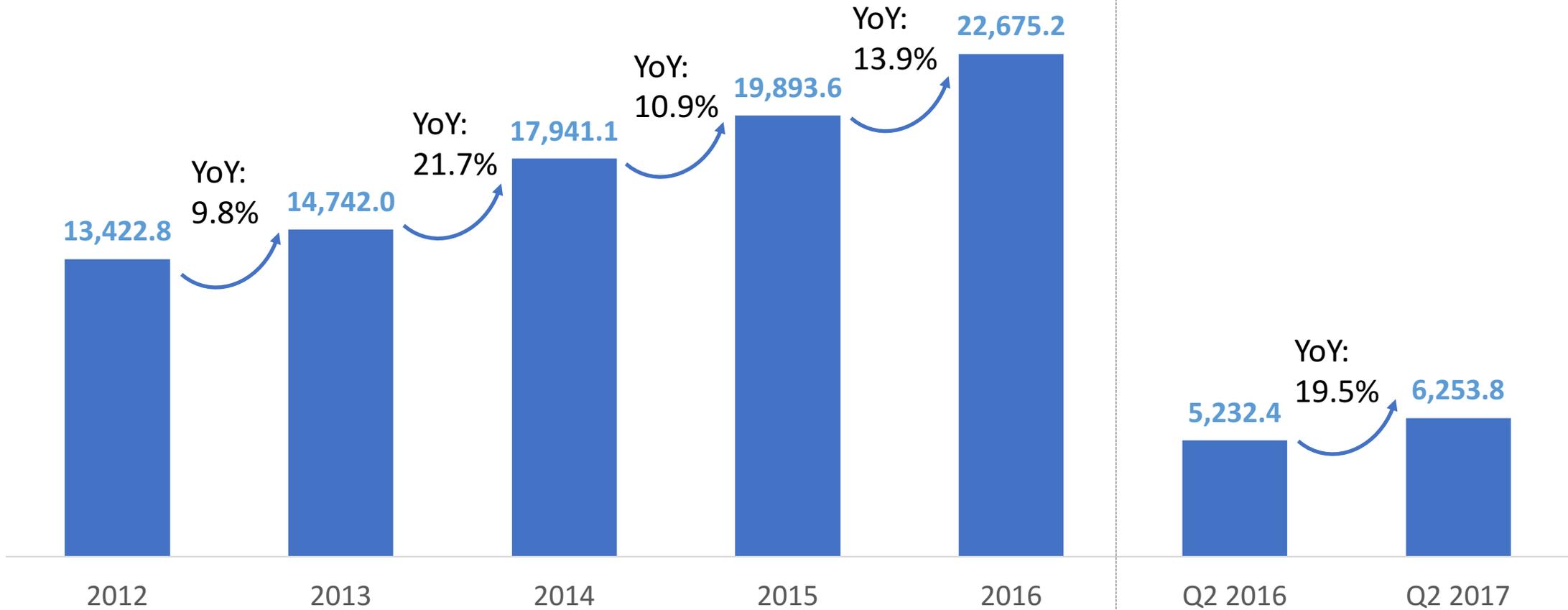


SKU: Over 2,000,000 in stock

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

B2C Revenues

(in millions of TWD)





20x
Hyper
market

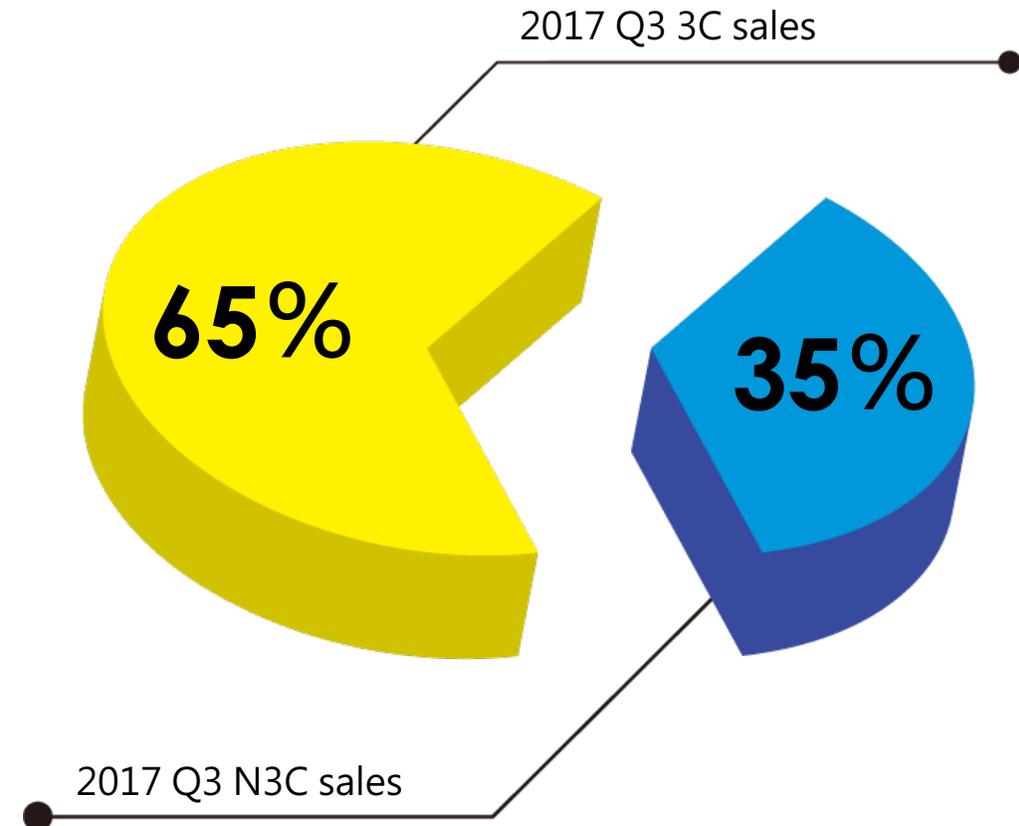
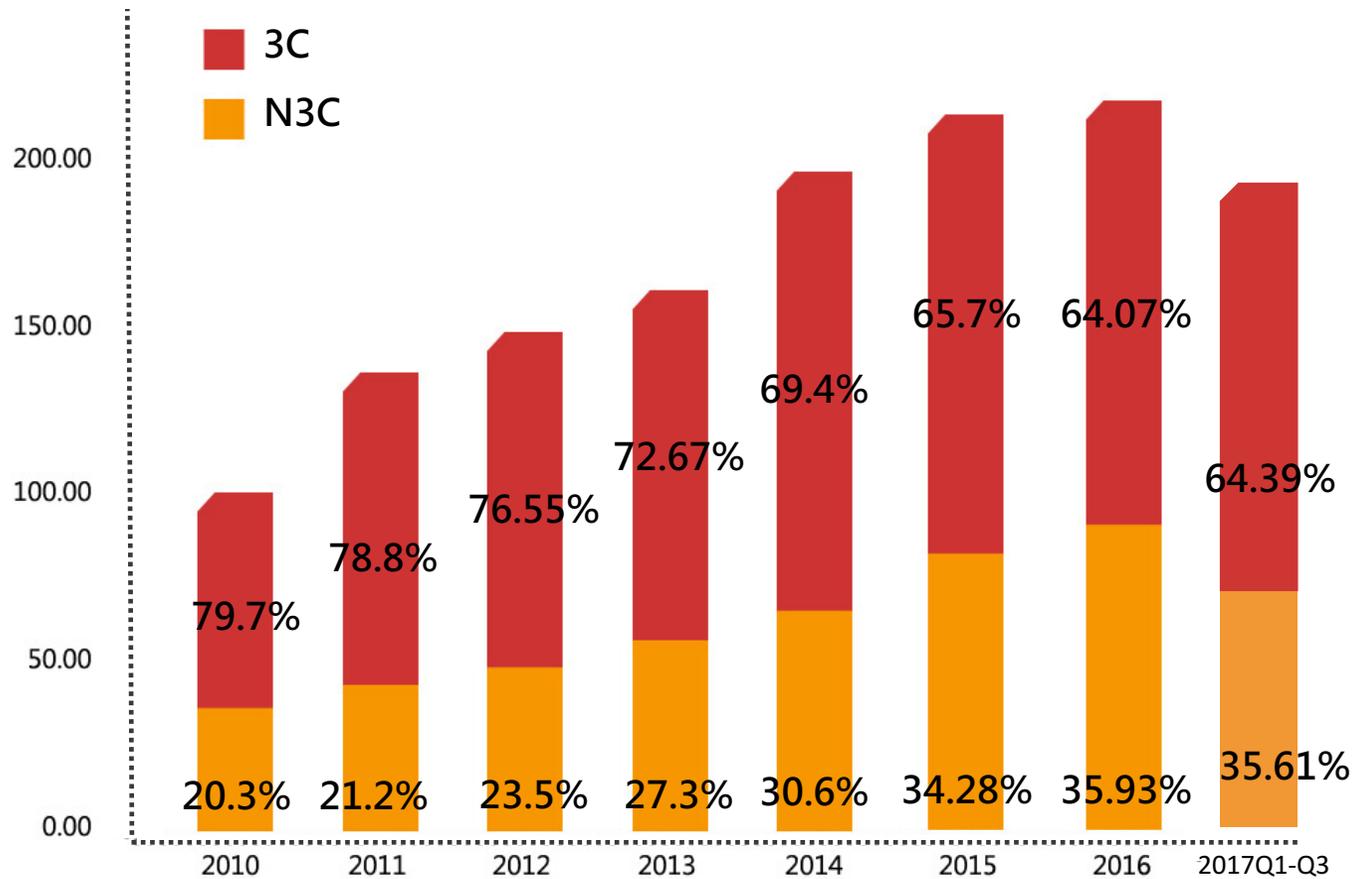
Non
inventory

99.7%
24hr ontime
delivery

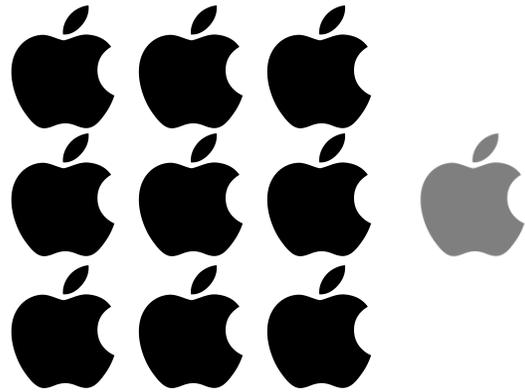
2m SKU
in
warehouse

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
150 millions users



PCstore:

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



Ruten:

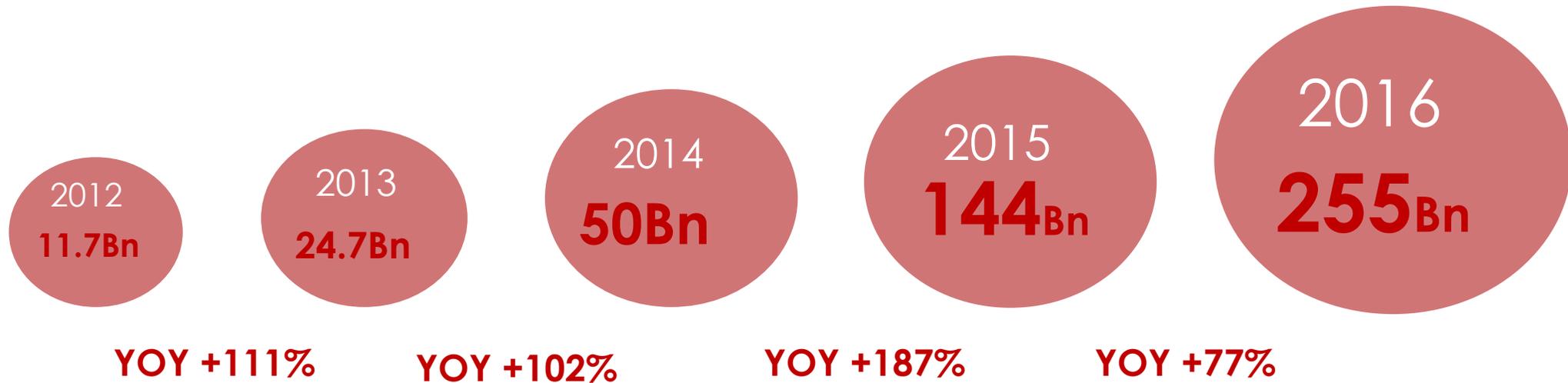
2016 GMV exceeds **NT\$250 billion**



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.



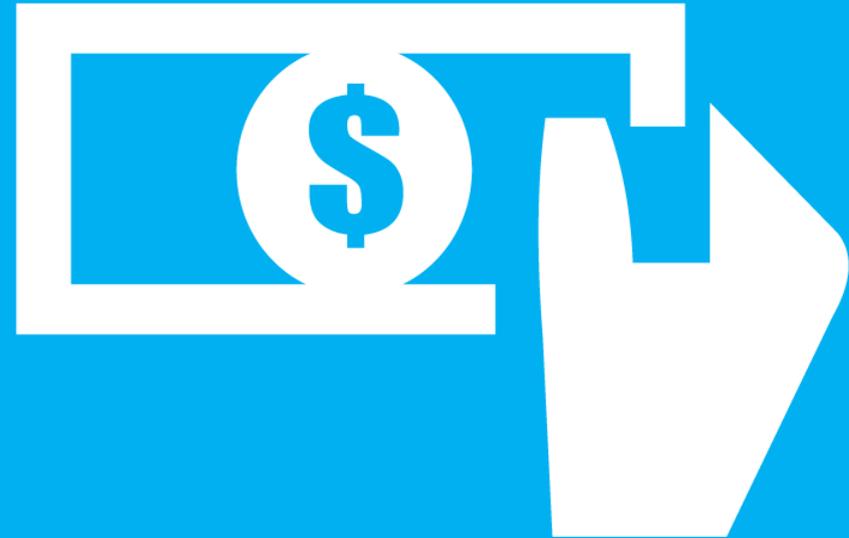
- 1,000,000 LIKES on FB fans page
- Free Line stickers launched
- Re-usable coupon released

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 Q2 Income statement (IFRS-consolidated)

IFRS-Consolidated

	NTD :000	2017 2Q	%	2016 2Q	%	Variance	2017 1H	%	2016 1H	%	Variance
Revenue		6,856,885	100.0%	5,997,724	100.0%	14.3%	13,781,193	100.0%	12,770,803	100.0%	7.9%
Gross Margin		1,101,183	16.1%	1,041,591	17.4%	5.7%	2,237,603	16.2%	2,190,408	17.2%	2.2%
Operating Expense		967,210	14.1%	798,978	13.3%	21.1%	1,847,886	13.4%	1,594,085	12.5%	15.9%
marketing Expense		806,282	11.8%	620,406	10.3%	30.0%	1,521,515	11.0%	1,224,946	9.6%	24.2%
Aministration expense		89,573	1.3%	111,377	1.9%	-19.6%	186,223	1.4%	238,143	1.9%	-21.8%
R&D expense		71,355	1.0%	67,195	1.1%	6.2%	140,148	1.0%	130,996	1.0%	7.0%
Operating Income		133,973	2.0%	242,613	4.0%	-44.8%	389,717	2.8%	596,323	4.7%	-34.6%
Net non-operating income		10,602	0.2%	11,987	0.2%	-11.6%	6,758	0.0%	15,801	0.1%	-57.2%
Net income before tax		144,575	2.1%	254,600	4.2%	-43.2%	396,475	2.9%	612,124	4.8%	-35.2%
Net income after tax		110,653	1.6%	190,428	3.2%	-41.9%	318,580	2.3%	481,950	3.8%	-33.9%

2017 vs 2016 Q2 Income statement (IFRS-unconsolidated)

IFRS-unconsolidated

	NTD :000	2017 2Q	%	2016 2Q	%	Variance	2017 1H	%	2016 1H	%	Variance
Revenue		6,253,765	100.0%	5,232,360	100.0%	19.5%	12,489,327	100.0%	11,175,661	100.0%	11.8%
Gross Margin		946,878	15.1%	839,293	16.0%	12.8%	1,920,870	15.4%	1,777,895	15.9%	8.0%
Operating Expense		760,461	12.2%	656,690	12.6%	15.8%	1,497,868	12.0%	1,312,441	11.7%	14.1%
Operating Income		186,417	3.0%	182,603	3.5%	2.1%	423,002	3.4%	465,454	4.2%	-9.1%
Net non-operating income		(29,666)	-0.5%	24,194	0.5%	-222.6%	(26,859)	-0.2%	64,339	0.6%	-141.7%
Net income before tax		156,751	2.5%	206,797	4.0%	-24.2%	396,143	3.2%	529,793	4.7%	-25.2%
Net income after tax		136,552	2.2%	177,637	3.4%	-23.1%	340,203	2.7%	449,946	4.0%	-24.4%

2017 vs 2016 Q2 FY Balance Sheet (IFRS-consolidated)

	2017.6.30		2016.6.30		Variance	
ASSETS						
Cash and cash equivalents	8,686,957	78	8,256,527	79	430,430	5.2%
Notes receivable, net	1,643	0	4,074	0	(2,431)	-59.7%
Accounts receivable, net	298,082	3	318,787	3	(20,705)	-6.5%
Other receivables	287,102	3	302,357	3	(15,255)	-5.0%
Inventories, net	648,720	6	511,266	5	137,454	26.9%
Other financial assets-current	307,599	3	317,011	3	(9,412)	-3.0%
Other current assets	70,334	1	65,152	1	5,182	8.0%
CURRENT ASSETS	10,300,437	93	9,775,174	94	525,263	5.4%
NON-CURRENT ASSETS	813,528	7	611,305	6	202,223	33.1%
TOTAL ASSETS	11,113,965	100	10,386,479	100	727,486	7.0%
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY						
CURRENT LIABILITIES	5,275,501	48	4,713,174	46	562,327	11.9%
NON-CURRENT LIABILITIES	24,125	0	13,861	0	10,264	74.0%
TOTAL LIABILITIES	5,299,626	49	4,727,035	47	572,591	12.1%
Common stock	1,103,161	12	998,549	12	104,612	10.5%
Capital surplus	2,507,459	23	2,498,301	24	9,158	0.4%
Legal reserve	404,535	3	327,935	3	76,600	23.4%
Special reserve	2,781	0	4,271	0	(1,490)	-34.9%
Retained earnings-unappropriated	959,120	9	1,000,430	10	(41,310)	-4.1%
Exchange differences on translation of foreign operations	(4,166)	(0)	(1,241)	(0)	(2,925)	235.7%
Total owners' equity attributable to equity holders of the parent company	5,041,324	45	4,932,857	47	108,467	2.2%
Non-controlling Interest	773,015	7	726,587	7	46,428	6.4%
TOTAL STOCKHOLDERS' EQUITY	5,814,339	51	5,659,444	53	154,895	2.7%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	11,113,965	100	10,386,479	100	727,486	7.0%

Thank you!!