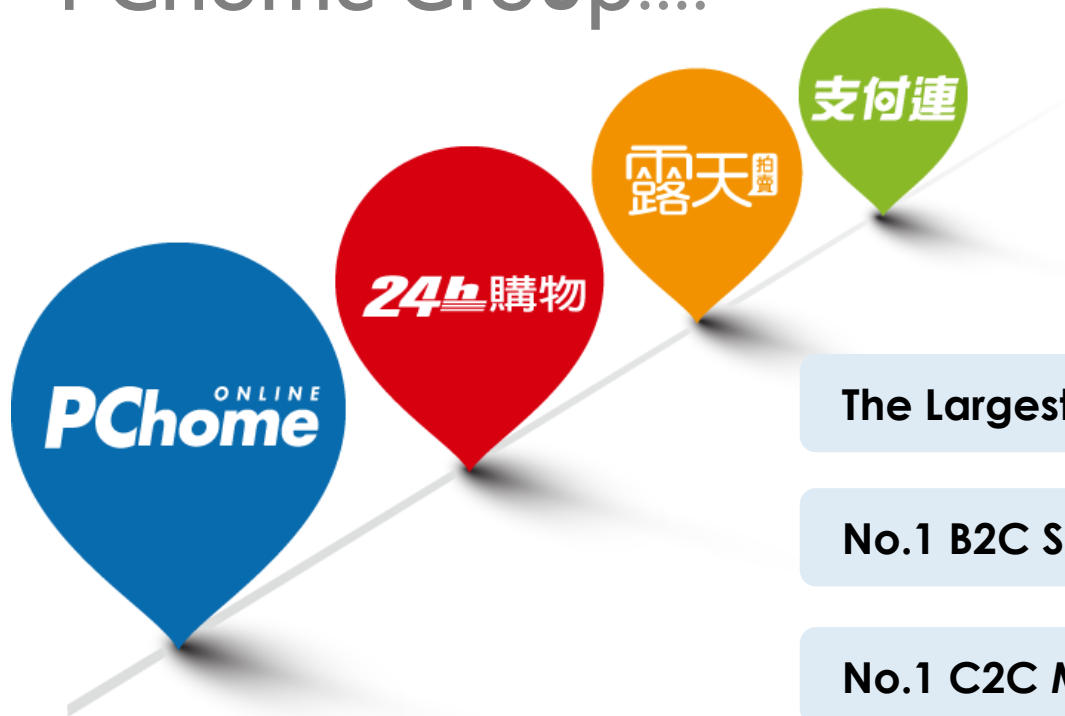


# PChome Group Company Overview

Taiwan's Leading e-Commerce Group

# PChome Group....



The Largest e-Commerce company in Taiwan

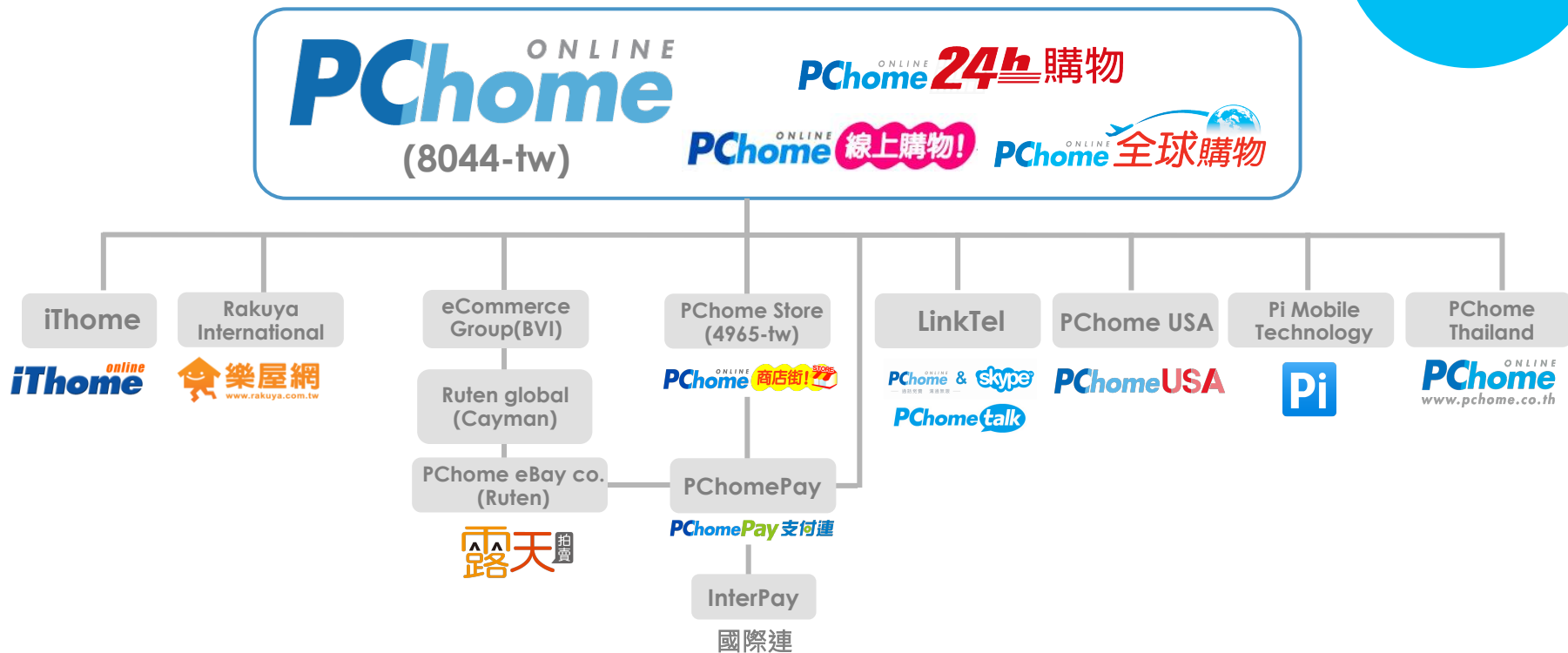
No.1 B2C Shopping Website

No.1 C2C Marketplace

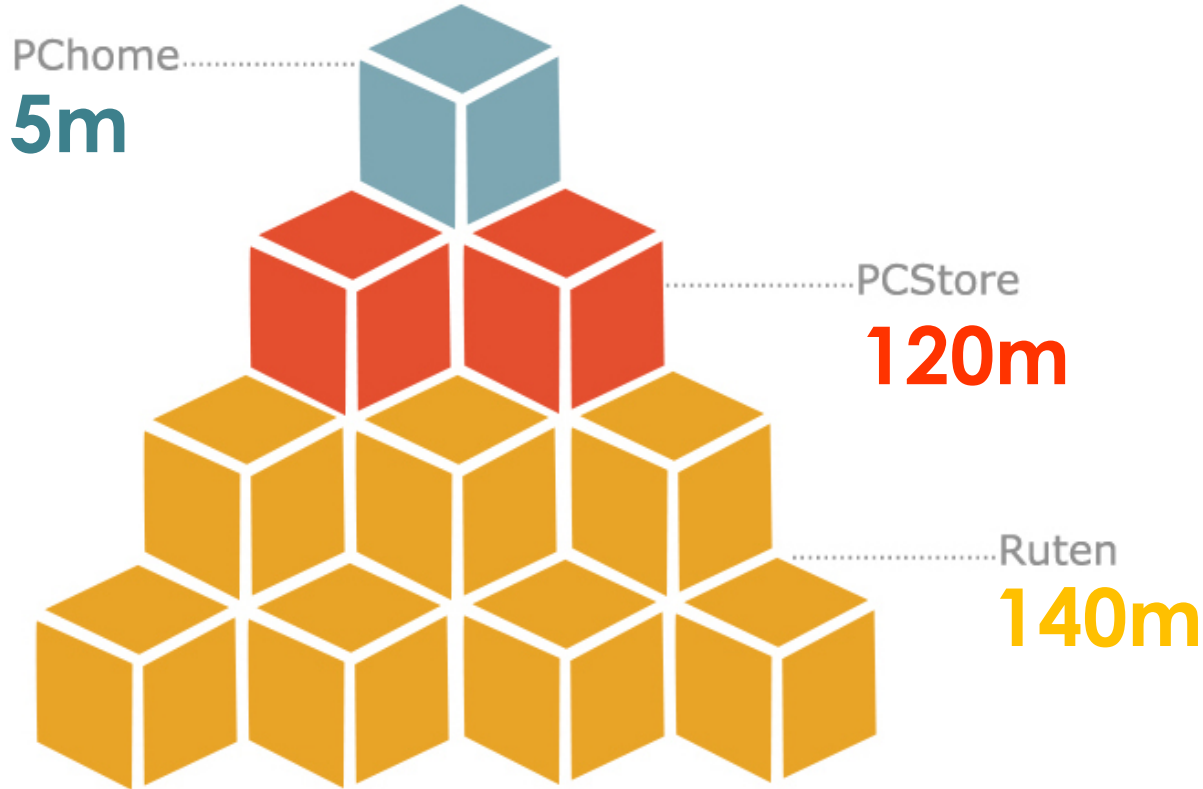
No.1 Online Payment Service

**PChome** ONLINE GROUP

# Group Structure



# Listing is power



# B2C Shopping



PChome<sup>ONLINE</sup>



PChome<sup>ONLINE</sup> 24h 購物

SKU: 2,000,000 in stock

# of Warehouse: 5

Total warehouse capacity:  
175,000 M<sup>2</sup>

24 hrs delivery guarantee

Taipei City 6hrs delivery



PChome<sup>ONLINE</sup> 線上購物!

SKU: Over 3,000,000

Suppliers :over 6,000

Ship from suppliers to customers

Delivery time: 2-4 days

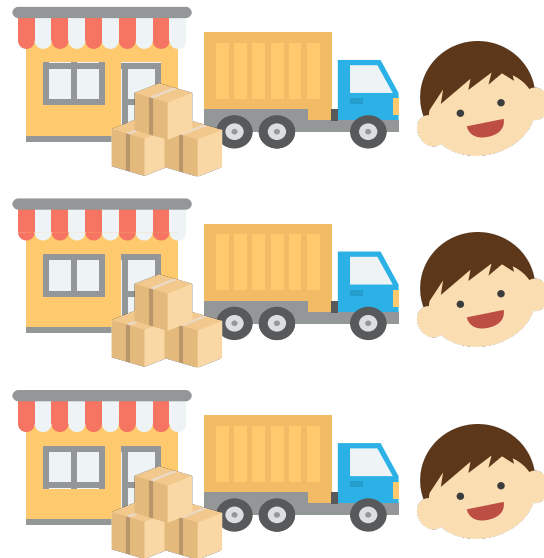
PChome<sup>ONLINE</sup>

PChome<sup>ONLINE</sup> 24h 購物

In B2C  
Start from virtual shopping site



PChome<sup>ONLINE</sup>



2000-2007 PChome shopping  
(online virtual shopping site)

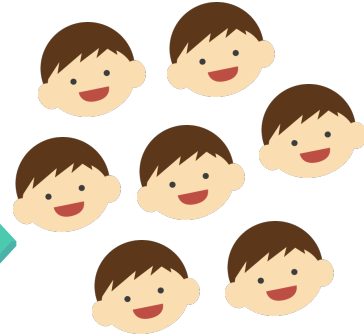
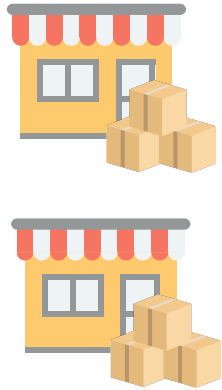
# Go more click n' mortar now



(2007-NOW)



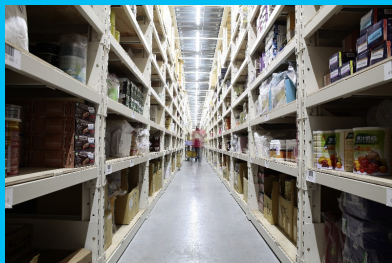
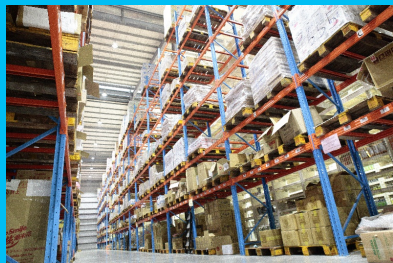
Supplier's warehouse



PChome 24h fulfillment warehouse



# PChome 24hr shipped 2,000,000 products across Taiwan



SKU: Over 2,000,000 in stock

Total Warehouse floor<sup>2</sup> area:

175,000M

(Data as of Q1, 2017)

# We guarantee 24 hour delivery service in Taiwan



## PChome ONLINE 24h 購物



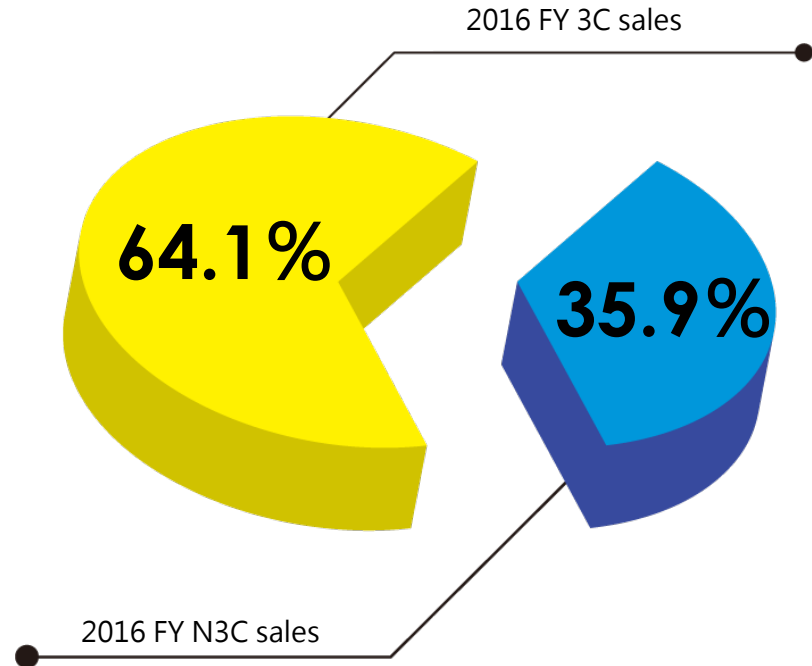
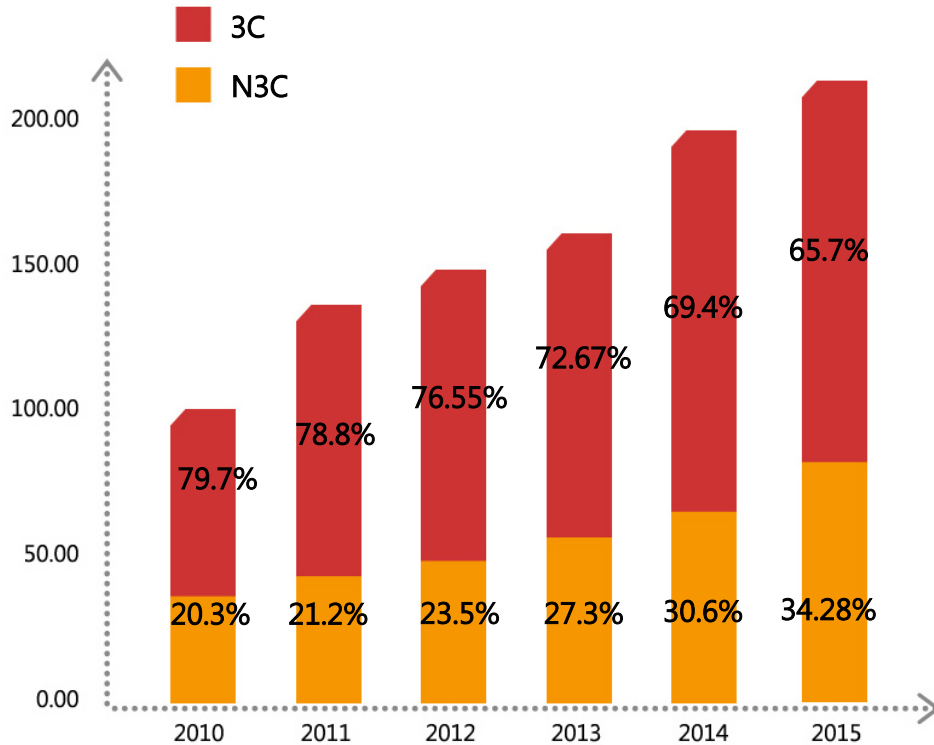
**On-time rate: 99.68%**

Receive NT100 (Cash point) for late Delivery

Real-time order checking system



# 2010-2016 / 3C vs N3C Sales



# The 6th warehouse will open in 2017 Q2

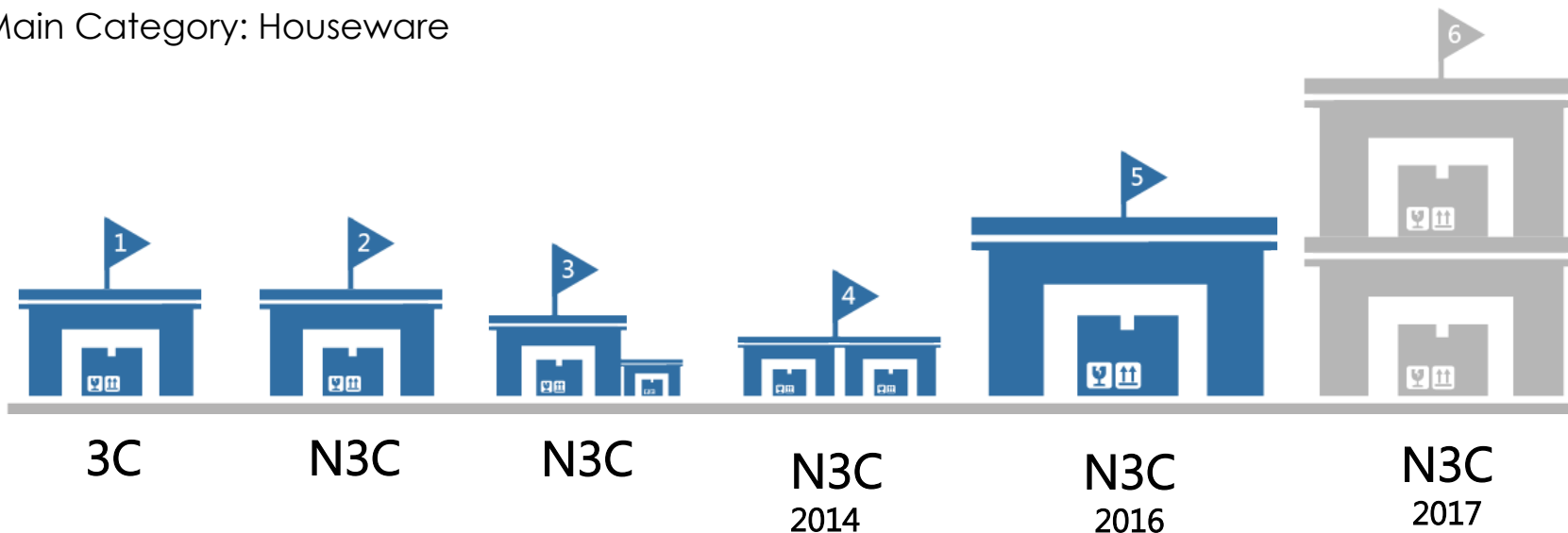
PChome ONLINE

PChome 6<sup>th</sup> warehouse

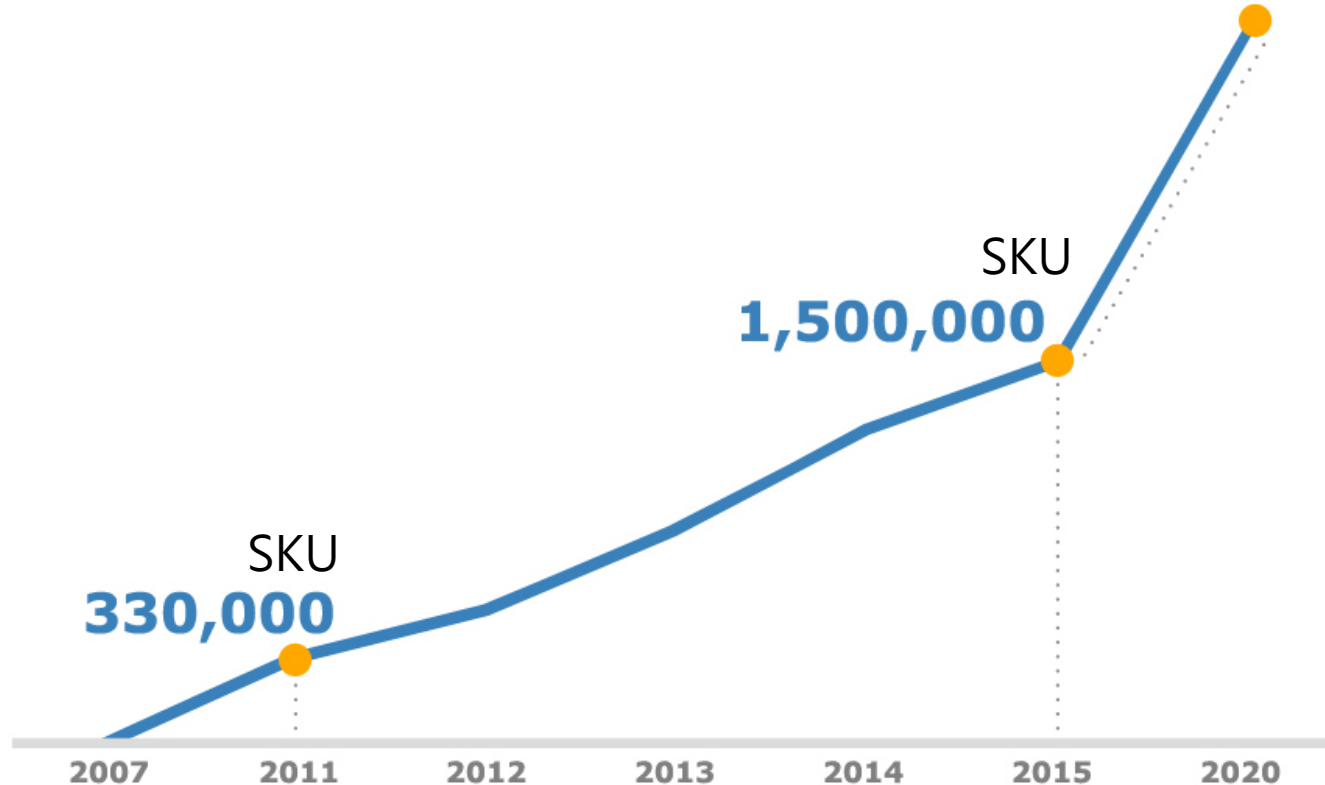
Location: Da-yuan, Taoyuan

Floor area: 72,500 M<sup>2</sup>

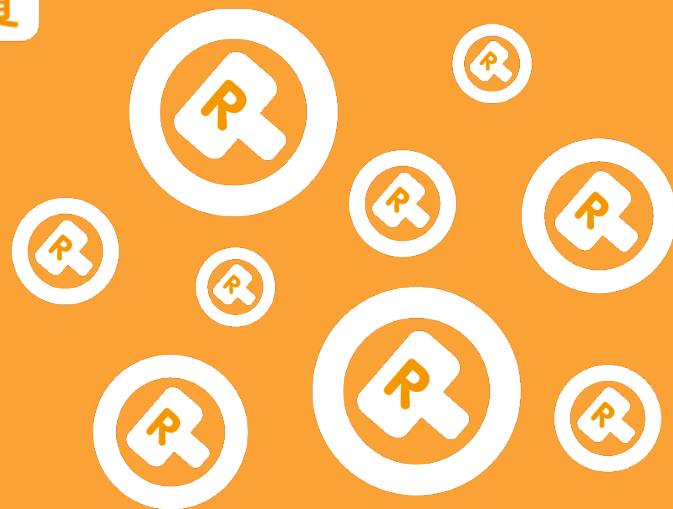
Main Category: Houseware



# Sustained increase in SKUs



# 露天拍賣



**C2C**

**In C2C Ruten Auction:  
Marketplace: Everyone's store**

**140m**  
listings

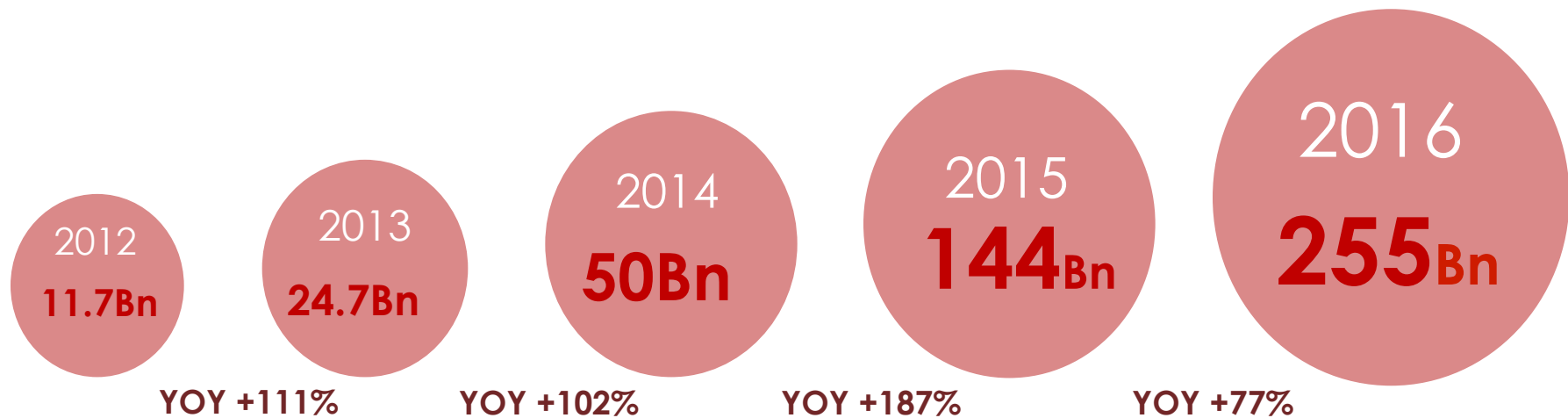
**10m**  
buyers

**2m**  
sellers

**25%**  
listings outside  
of Taiwan



# Ruten 2016 GMV NTD 255Bn



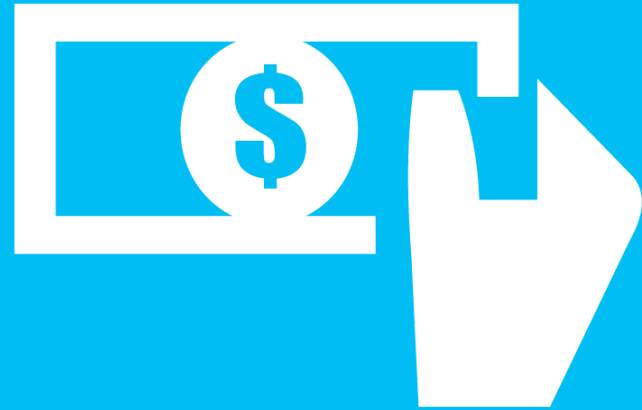


# New C2C: Pcstore Personal Store



- Free Model (no listing fee, no final value fee)
- Rapid growing
- Mobile and social focus
- Offering free shipping service to attract users (since Jan, 2017)

Payment

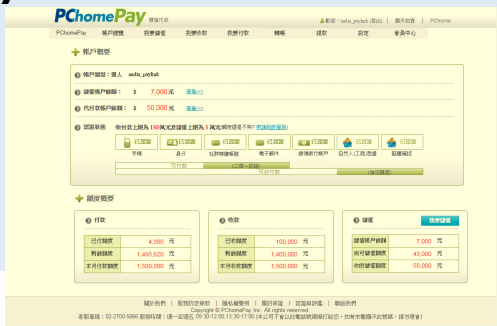


# Payment



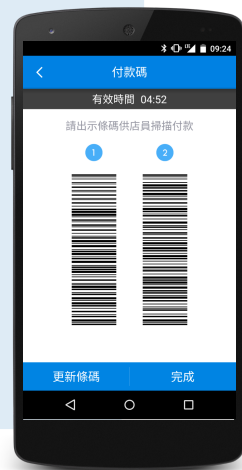
## PChomePay 支付連

Over 80,000,000 listings online payment can be made through PChome Pay, which is the largest Online payment service in Taiwan.



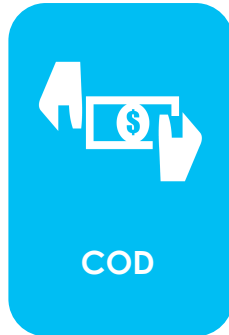
## 行動錢包

Pi pioneers on mobile barcode payment technology. Let Consumers can easily complete payment process at storefront with barcodes in their smartphones.





## Payment



## Logistics

# Financial Update

# 2016 vs 2015 FY Income statement (IFRS-consolidated)



## IFRS-Consolidated

NTD :000	2016	%	2,015	%	Variance
Revenue	25,742,560	100.0%	22,880,411	100.0%	12.5%
Gross Margin	4,406,661	17.1%	3,933,988	17.2%	12.0%
Operating Expense	3,350,667	13.0%	2,882,559	12.6%	16.2%
marketing Expense	2,573,730	10.0%	2,210,143	9.7%	16.5%
Aministration expense	505,770	2.0%	425,555	1.9%	18.8%
R&D expense	271,167	1.1%	246,861	1.1%	9.8%
Operating Income	1,055,994	4.1%	1,051,429	4.6%	0.4%
Net non-operating income	10,322	0.0%	30,446	0.1%	-66.1%
Net income before tax	1,066,316	4.1%	1,081,875	4.7%	-1.4%
Net income after tax	824,358	3.2%	852,584	3.7%	-3.3%

# 2016 vs 2015 FY Income statement (IFRS-unconsolidated)



IFRS-unconsolidated NTD :000	2016	%	2015	%	Variance
Revenue	22,675,224	100.0%	19,893,565	100.0%	14.0%
Gross Margin	3,623,864	16.0%	3,051,718	15.3%	18.7%
Operating Expense	2,726,632	12.0%	2,316,468	11.6%	17.7%
Operating Income	897,232	4.0%	735,250	3.7%	22.0%
Net non-operating income	34,502	0.2%	190,461	1.0%	-81.9%
Net income before tax	931,734	4.1%	925,711	4.7%	0.7%
Net income after tax	765,992	3.4%	777,839	3.9%	-1.5%

# 2016 vs 2015 FY Balance Sheet

(IFRS-consolidated)



ASSETS	2016.12.31		2015.12.31		Variance	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	8,188,180	78	7,783,348	78	404,832	5.2
Notes receivable, net	2,644	0	3,358	0	(714)	-21.3
Accounts receivable, net	349,361	3	325,798	3	23,563	7.2
Other receivables	281,457	3	414,440	4	(132,983)	-32.1
Inventories, net	608,129	6	449,888	5	158,241	35.2
Other financial assets-current	331,011	3	347,011	3	(16,000)	-4.6
Other current assets	56,576	1	35,453	1	21,123	59.6
<b>CURRENT ASSETS</b>	<b>9,817,358</b>	<b>93</b>	<b>9,359,296</b>	<b>94</b>	<b>458,062</b>	<b>4.9</b>
<b>NON-CURRENT ASSETS</b>	<b>713,753</b>	<b>7</b>	<b>597,585</b>	<b>6</b>	<b>116,168</b>	<b>19.4</b>
<b>TOTAL ASSETS</b>	<b>10,531,111</b>	<b>100</b>	<b>9,956,881</b>	<b>100</b>	<b>574,230</b>	<b>5.8</b>
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>						
<b>CURRENT LIABILITIES</b>	<b>4,516,193</b>	<b>44</b>	<b>4,215,202</b>	<b>42</b>	<b>300,991</b>	<b>7.1</b>
<b>NON-CURRENT LIABILITIES</b>	<b>22,405</b>	<b>0</b>	<b>14,426</b>	<b>0</b>	<b>2,456</b>	
<b>TOTAL LIABILITIES</b>	<b>4,538,598</b>	<b>43</b>	<b>4,229,628</b>	<b>42</b>	<b>308,970</b>	<b>7.3</b>
Common stock	1,103,161	9	998,549	10	104,612	10.5
Capital surplus	2,497,037	24	2,498,301	25	(1,264)	-0.1
Legal reserve	327,935	3	250,151	3	77,784	31.1
Special reserve	4,271	0	-	-	4,271	-
Retained earnings-unappropriated	1,309,930	11	1,260,211	13	49,719	3.9
Exchange differences on translation of foreign operations	(2,781)	-0	(4,270)	-0	1,489	-34.9
Total owners' equity attributable to equity holders of the parent company	5,239,553	49	5,002,942	50	236,611	4.7
Non-controlling Interest	752,960	7	724,311	7	28,649	4.0
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>5,992,513</b>	<b>57</b>	<b>5,727,253</b>	<b>58</b>	<b>265,260</b>	<b>4.6</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>10,531,111</b>	<b>100</b>	<b>9,956,881</b>	<b>100</b>	<b>574,230</b>	<b>5.8</b>
<b>Book value per share</b>	<b>54.32</b>		<b>57.36</b>		<b>-3.03</b>	<b>-5.3</b>
ROE	16.10	-	20.34	-		
ROA	8.05		10.41			



Thank you!!