

PChome Group Company Overview



Company Profile

- Established: July 1998
- Public listing: Jan 2005(stock symbol:8044-TT)
- Main business: e-commerce
- HQ location: Taipei, Taiwan
- Business location: Primary Taiwan
- Founder:



Hung Tze Jan
Chairman



Arthur Lee
CEO

PChome Group Milestone



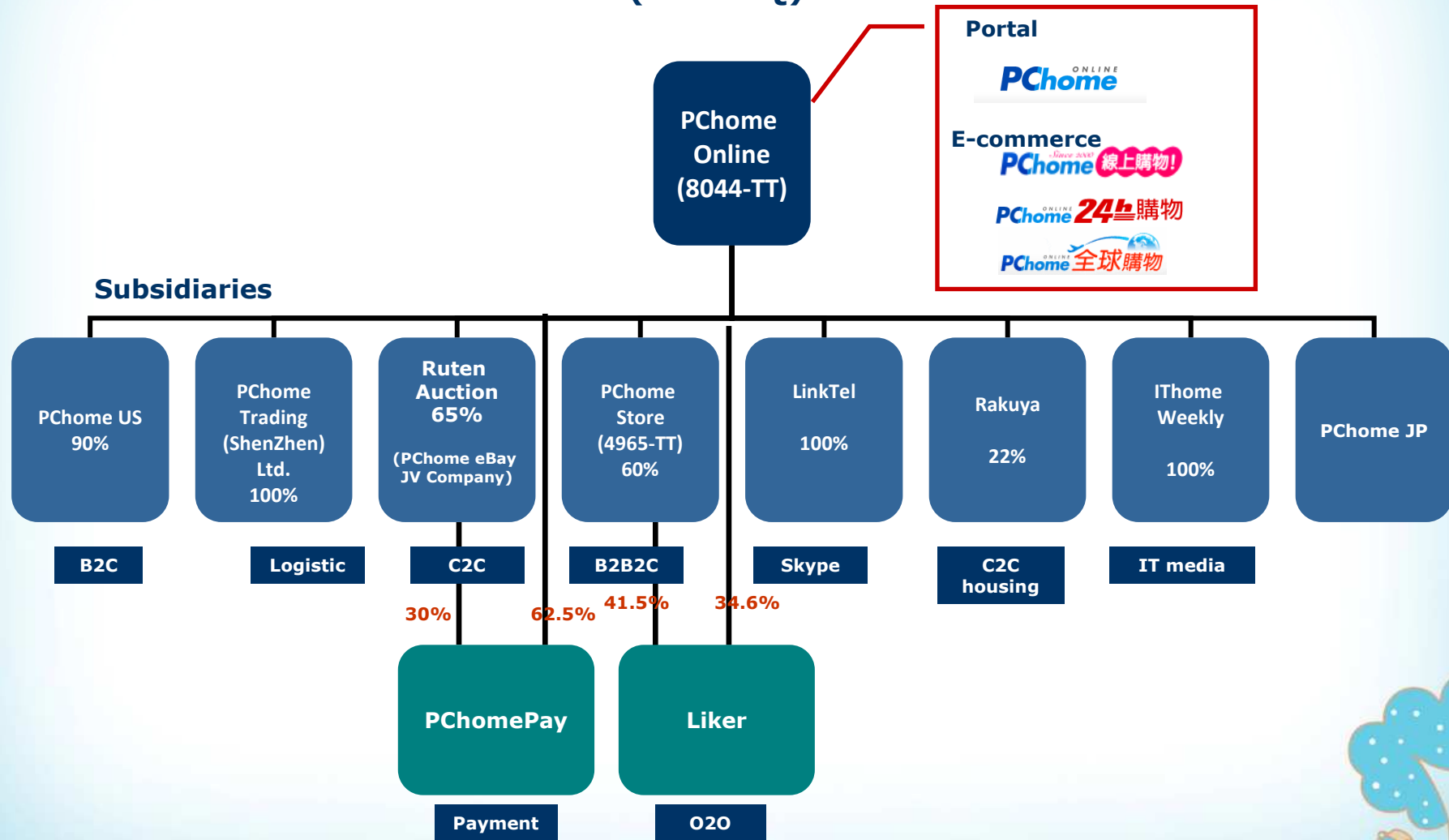
History

- 1998**
 - **1998.07**
Established, Chairman H.T Jan, CEO Arthur Lee, provided portal services.
- 2000**
 - **2000.06**
Rolled out online shopping channel, started from 3C products.
- 2002**
 - **2004.07**
Cooperated with Skype, rolled out "PChome Skype".
- 2004**
 - **2005.01**
IPO- 網家(8044-TT)
 - **2005.10**
Rolled out online store B2B2C service
- 2006**
 - **2006.06**
JV with eBay, launched Ruten auction site.
- 2008**
 - **2007.01**
Rolled out "PChome 24hr delivery" service.
 - **2008.04**
Cooperated with BIG5 estate agencies, rolled out "Rakuya"(樂屋網).
- 2010**
 - **2010.04**
Spin off Store division to "PCstore Inc (4965-TT).,"
 - **2011.04**
Subsidiary IPO -PCstore Inc (4965-TT).,"
 - **2011.09**
Rolled Out O2O company "Liker"
- 2012**
 - **2012.4**
Rolled Out "PChomePay" online payment service
PChome US shopping site launched



PChome Group Structure

(2013 3Q)



Taiwan No.1 e-commerce Group

PChome ONLINE



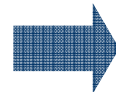
No.1 Local portal site

PChome ONLINE **24h購物**



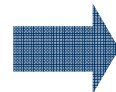
No.1 B2C shopping site

PChome ONLINE **商店街!** STORE



No.1 B2B2C marketplace

露天拍賣
a PChome & eBay JV
Beta Version



No.1 C2C marketplace

PChomePay 支付連



No.1 3rd party payment

PChome ONLINE & **skype**™
— 通話免費 溝通無限 —



No. VOIP service

PChome ONLINE



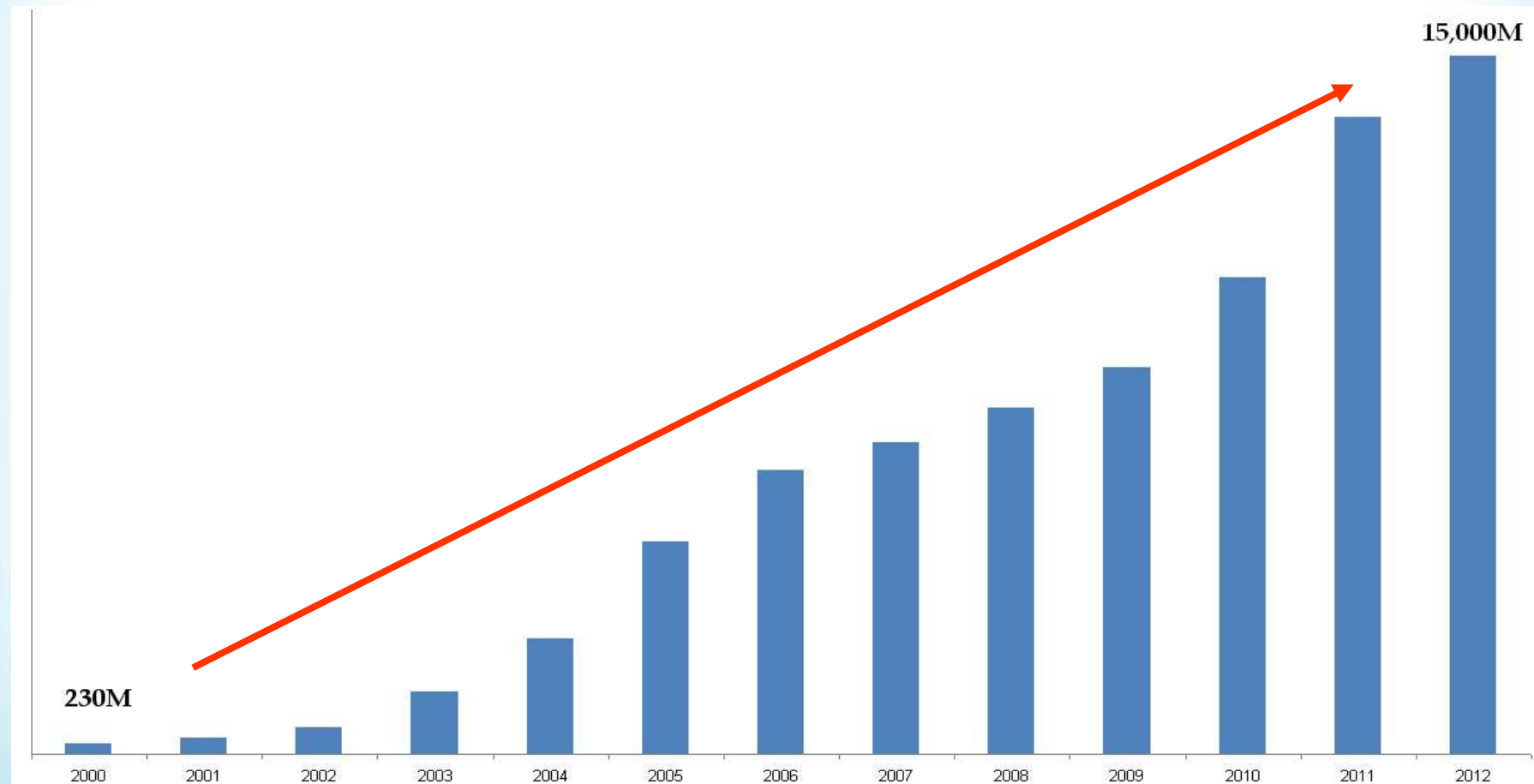
3 Major E-commerce Platform

Type	B2C Online Shopping	B2B2C Online Shopping Mall	C2C Online Auction
Business Model	Shopping site → Consumer	Online Store → Marketplace platform → Consumer	Seller → Auction platform → Buyer
Revenue Target	General customer	SME	Professional seller/ Casual seller
Global Icon	Amazon.com	Rakuten	eBay
PChome E-commerce Layout	 	 store.pchome.com.tw	 www.Ruten.com.tw a PChome & eBay JV
Note	Parent Company (8044-TT)	Subsidiary.(4965-TT) Holding 60%	Subsidiary. holding 65% Joint venture with eBay



50x Revenue Growth within 11 Years

Yearly Revenue (2000-2012)



Online Retailing Business Highlight





PChome 24h Shopping Overview



ONLINE
PChome 24h 購物

Once an order has been placed on the website, the delivery will be made within 24 hrs

- Launched : 2007.01
- <http://24h.pchome.com.tw>
- Service Model: Consignment in-stock central warehouse
- SKU : over 1,000,000
- On time rate : 99.67%
- 24 hrs delivery guarantee

ONLINE
PChome



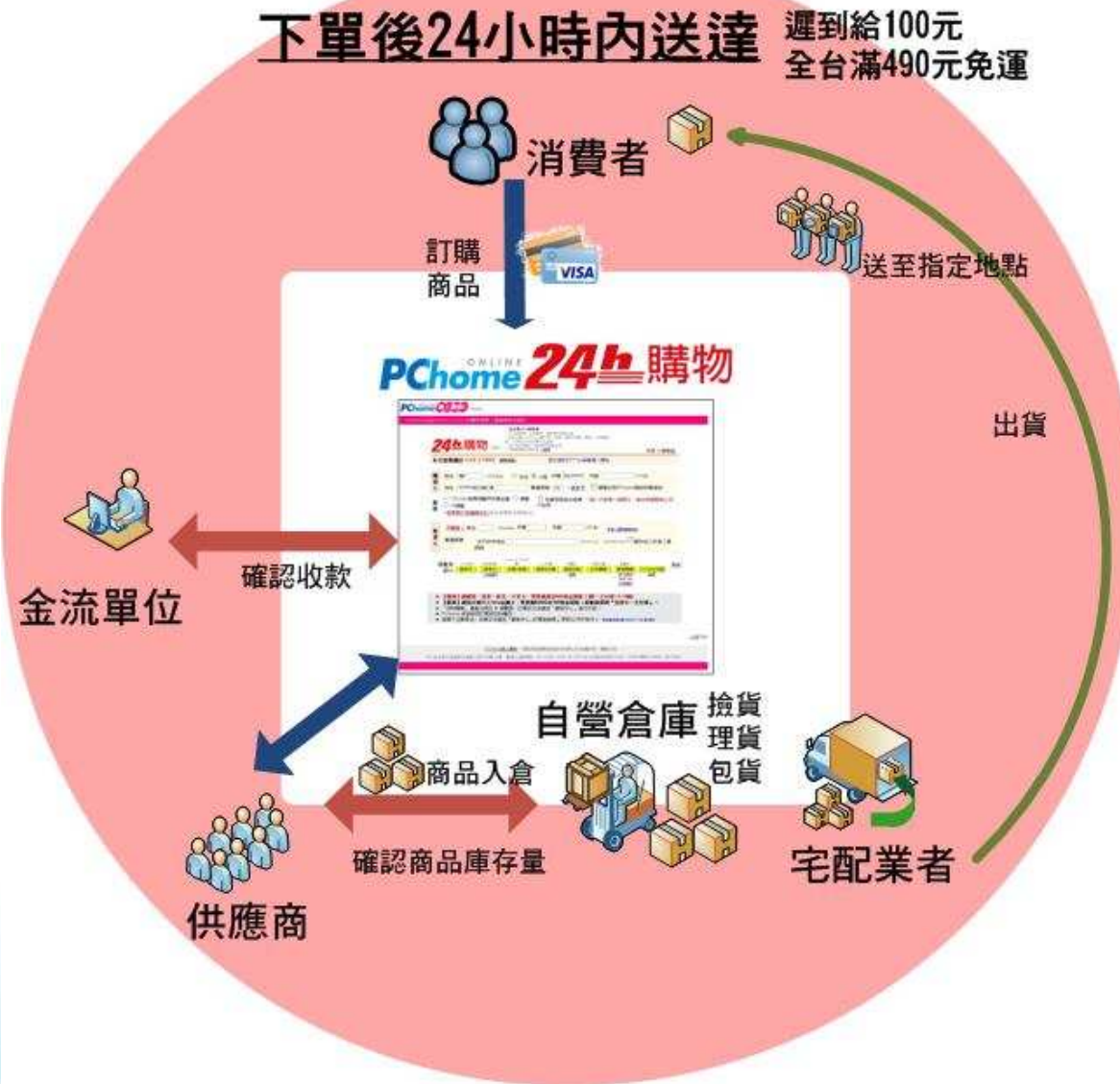
PChome shopping

Traditional Order transfer model

轉單模式：購買後3-7天到貨



PChome 24h Shopping Consignment Model



24h Shopping on-time delivery % : 99.68%



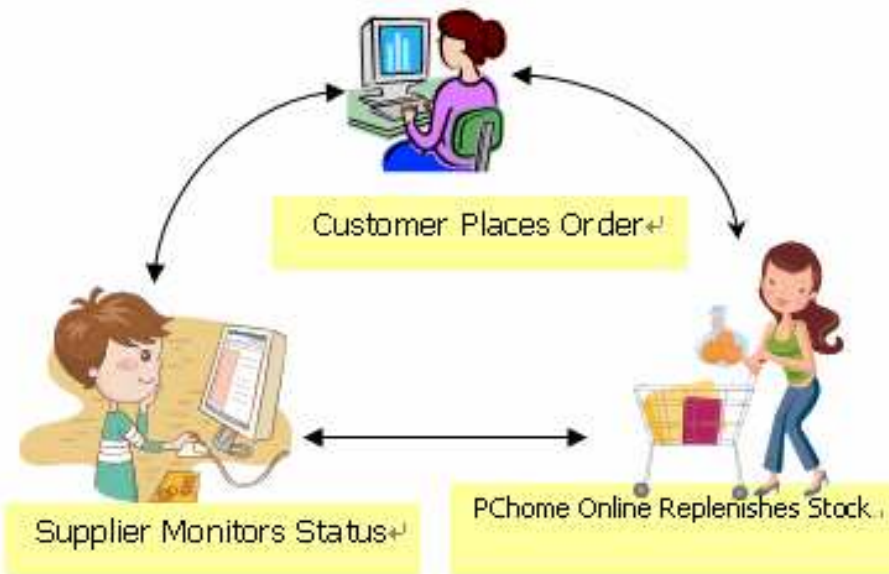
▶ 訂單查詢

訂單編號	日期	總價	訂單狀態	付款	配送狀態	發票	其他	24h說明	客服
20110603003813	2011/06/03	\$1,197	訂單成立	信用卡一次付清 (尚未請款)	配送狀態	發票內容	詳	24小時內到貨	問題查詢 問答紀錄
收到訂單 11:14		檢貨 11:24	理貨 11:47	出貨 11:57	已送達 16:42	最晚 1:14到 06/04	說明	逾時申訴	
01	SKIN 1000 BB霜40 (商品ID: DD1148-A55615827-00) 檢視商品頁快照				1件	\$399	05/03 出貨 黑貓 0209604362	-	退訂 購買證明
02	Avalon 薰衣草舒緩洗面凝膠(200ml) (商品ID: DDAO1N-A39760838-000) 檢視商品頁快照				1件	\$399	06/03 出貨 黑貓 0209604362	-	退訂 購買證明
Avalon 有機薰衣草沐浴凝膠(355mlx2入) (商品ID: DBAF2K-155216744-000) 檢視商品頁快照 (內含以下商品:)					1件	\$399	06/03 出貨 黑貓 0209604362	-	退訂 -
03	Avalon 薰衣草沐浴凝膠(355ml) (商品ID: DBAF2K-A50040322-000)				-	-	-	-	- 購買證明
04	Avalon 薰衣草沐浴凝膠(355ml) (商品ID: DBAF2K-A50040322-000)				-	-	-	-	- 購買證明



Real-time Merchandise Bank

The real-time merchandise bank of “PChome 24h shopping service” combines the **consignment-based warehouse** and **real-time sales information** to create a transparent information management system for **users and suppliers**



ONLINE
PChome



Pick, Pack and Deliver



Real-time order, Stock & Delivery



Marketplace Highlight

- ***PChome Store***
- ***Ruten Auction***



PChomeStore Inc.



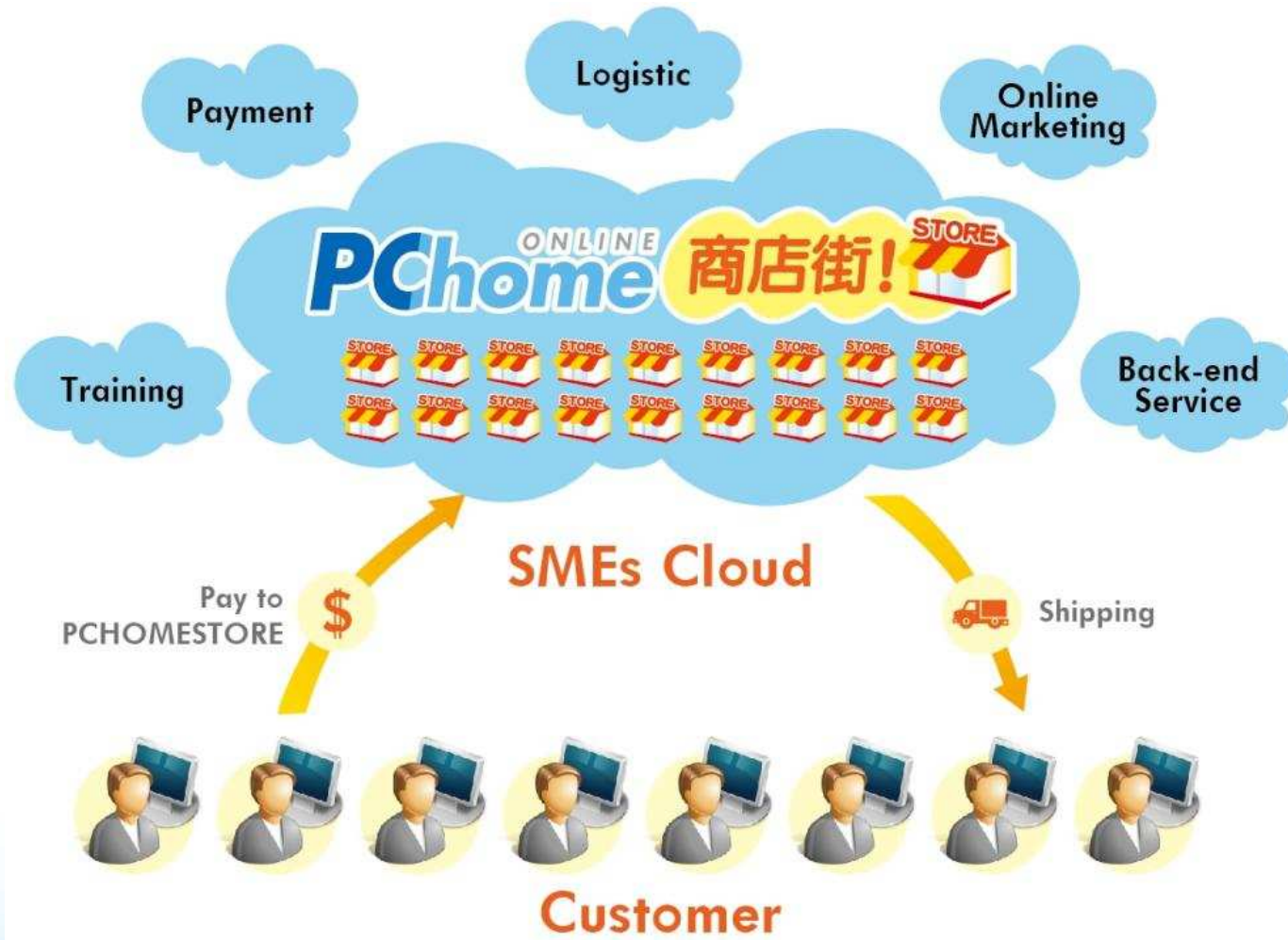
PChome ONLINE 商店街! STORE
<http://store.pchome.com.tw>

- IPO in Apr. 2011 (4965-TT)
- Service launched: 2005.10
- <http://www.pcstore.com.tw>
- # of Stores: 15,357 ('13,10)
- # of items: 11,439,612 ('13,10)
- HQ location: Taipei, Taiwan
- Employee : 125

ONLINE
PChome



PCStore SME E-commerce Cloud



PCstore Revenue Model

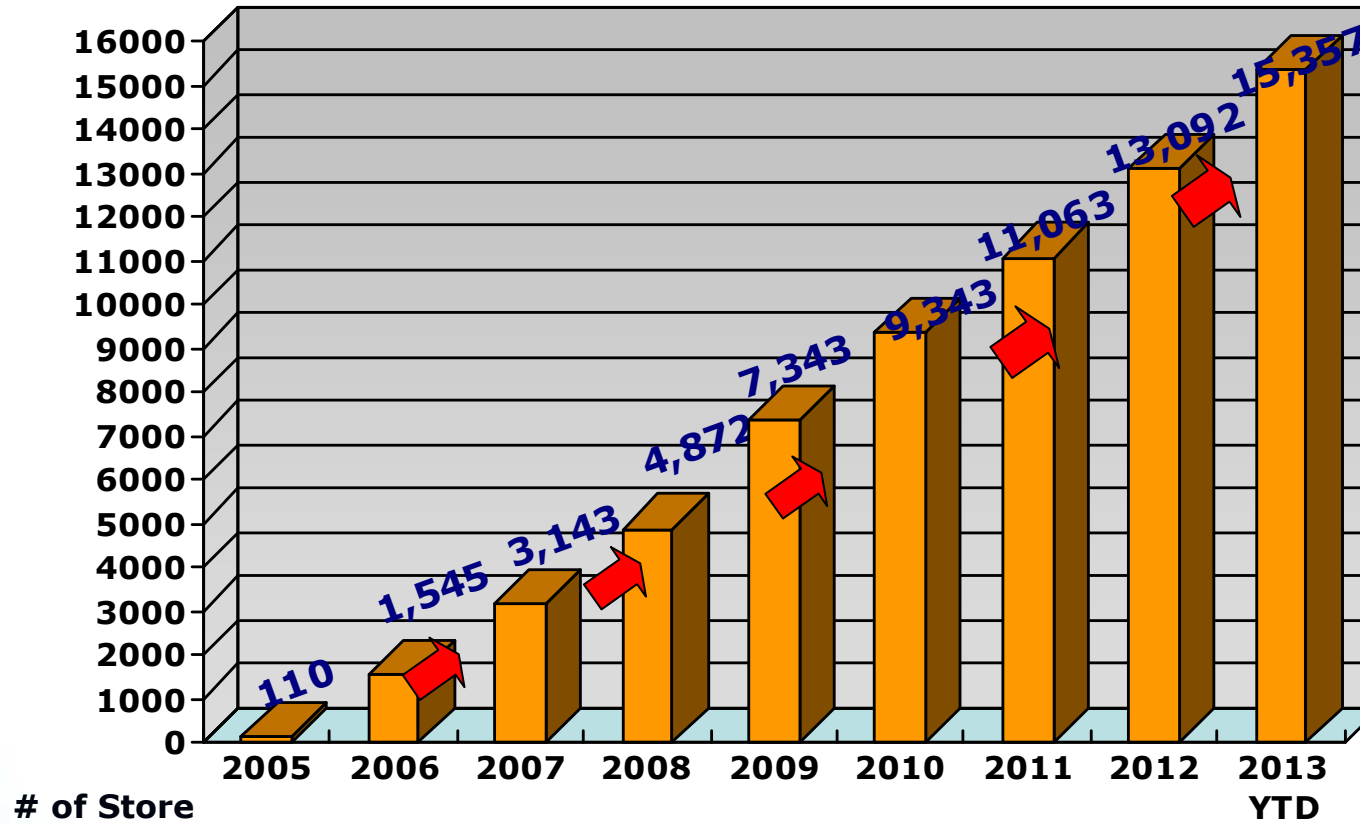
Online Store Set-up Fee (one-time charge)	Annual maintenance Fee	Sales Commission (by orders)	Value-add Service	Payment Methods
NT\$36,000	NT \$3,000 (2nd year and after) For new register stores after Nov. 2011	2% (5% after 2nd year)* + payment surcharge	NT\$50~ NT\$5,000 (Web Ads and extension courses)	ATM Credit Card CVS Kiosk COD

(2013.09)

*new rate effective by Sep 2012.



of Stores 2005 – YTD (Concurrent)



Ruten Auction

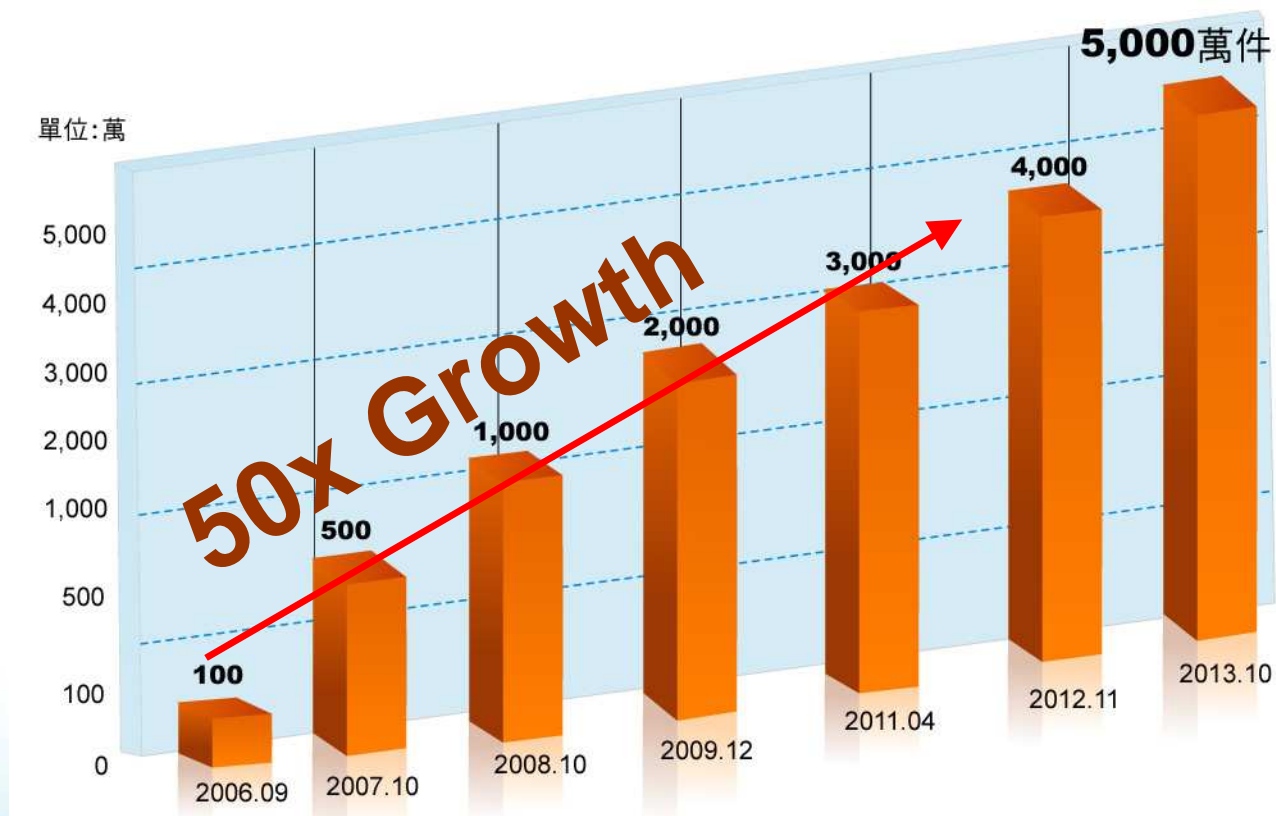


- Established : 2006.09
- PChome holding 65%
- # of Listing : 51,864,452('13,10)
- Business model: final value fee, advertisement
- Final value fee: 1.5% (Since '09.11)
- # of seller : Over 900,000
- # of web member: Over 7Mn



Listing is Power

Live Listings | **50X Growth in 7 Years**



ONLINE
PChome



Listing Per Capita

country/No. 1 Marketplace	Listing Per Capita
Taiwan/Ruetn	2.15
Japan/Rakuten	1.14
Korea/G-market	0.75
china/TaoBao	0.66
US/eBay	0.12
Germany/eBay	0.56
UK/eBay	0.91



Taiwan x Ruten

No. 1 Listing per capita Of the
World

2.15 listing /Person



Ruten Auction Service Flow



Financial Update

2013 vs 2012 1H Income statement

(IFRS-consolidated)

Consolidated					
NTD :000	2013 1H	%	2012 1H	%	Variance
Revenue	7,720,381	100.0%	7,236,416	100.0%	6.7%
Gross Margin	1,301,150	16.9%	1,176,745	16.3%	10.6%
Operating Expense	993,211	12.9%	949,593	13.1%	4.6%
Operating Income	307,939	4.0%	227,152	3.1%	35.6%
Net non-operating income	15,457	0.2%	9,034	0.1%	71.1%
Net income before tax	323,396	4.2%	236,186	3.3%	36.9%
Tax	(70,144)	-0.9%	(29,741)	-0.4%	135.8%
Net income after tax	253,252	3.3%	206,445	2.9%	22.7%
Attributable to					
Shareholders of parent company	230,446		190,624		20.9%
Minority Interest	22,806		15,821		
Opening cash balance	2,929,153		2,887,802		
Closing cash balance	3,322,622		2,941,977		

2012 vs 2011 1H Balance Sheet

(IFRS-Consolidated)

	2013.6.30		2012.6.30	
Cash and cash equivalents	3,322,622	72	2,941,977	70
Notes receivable, net	8,006	0	9,656	0
Accounts receivable, net	299,659	6	266,901	6
Other receivables	132,713	3	112,639	3
Inventories, net	309,852	7	262,483	6
Other financial assets-current	220,011	5	208,100	5
Other current assets	21,811	0	19,482	0
CURRENT ASSET	4,314,674	93	3,821,238	91
NON CURRENT ASSET	325,116	7	355,595	9
TOTAL ASSETS	4,639,790	100	4,176,833	100
Short-term debt	-	-	-	-
Notes payable	6,444	0	7,450	0
Accounts payable	1,308,470	28	1,243,777	30
Other payable	630,894	14	640,151	15
Current tax liabilities	60,709	1	31,376	1
Other current liabilities	758,125	16	610,266	15
CURRENT LIABILITIES	2,764,642	60	2,533,020	61
NON CURRENT LIABILITIES	16,544		23,116	
TOTAL LIABILITIES	2,781,186	60	2,556,136	61
Common stock	822,448	18	819,118	20
TOTAL STOCKHOLDERS' EQUITY	1,858,604	40	1,620,697	39
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	4,639,790	100	4,176,833	100
Book value per share	22.60		19.79	



2014 Group Develop Plan

- PChome : Warehouse & Fulfillment
- PChome Store : Web service & Personal store
- Ruten : Cross border trading & Advertisement
- PChomePay : Pre-Paid card & Cross border settlement

- Oversea expansion : US 、 China 、 JP
- New service



Thank you

