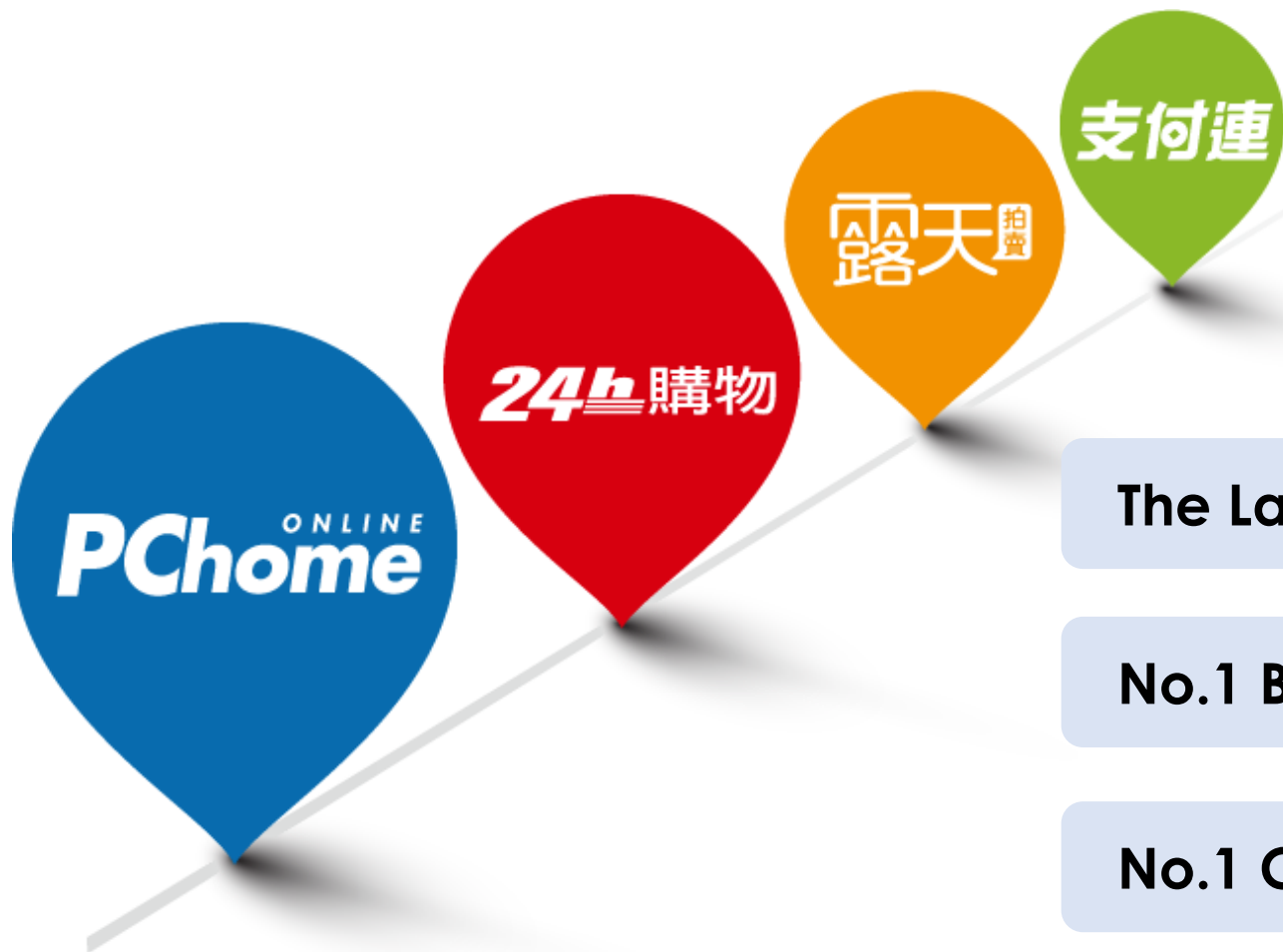


# PChome Group Company Overview

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**

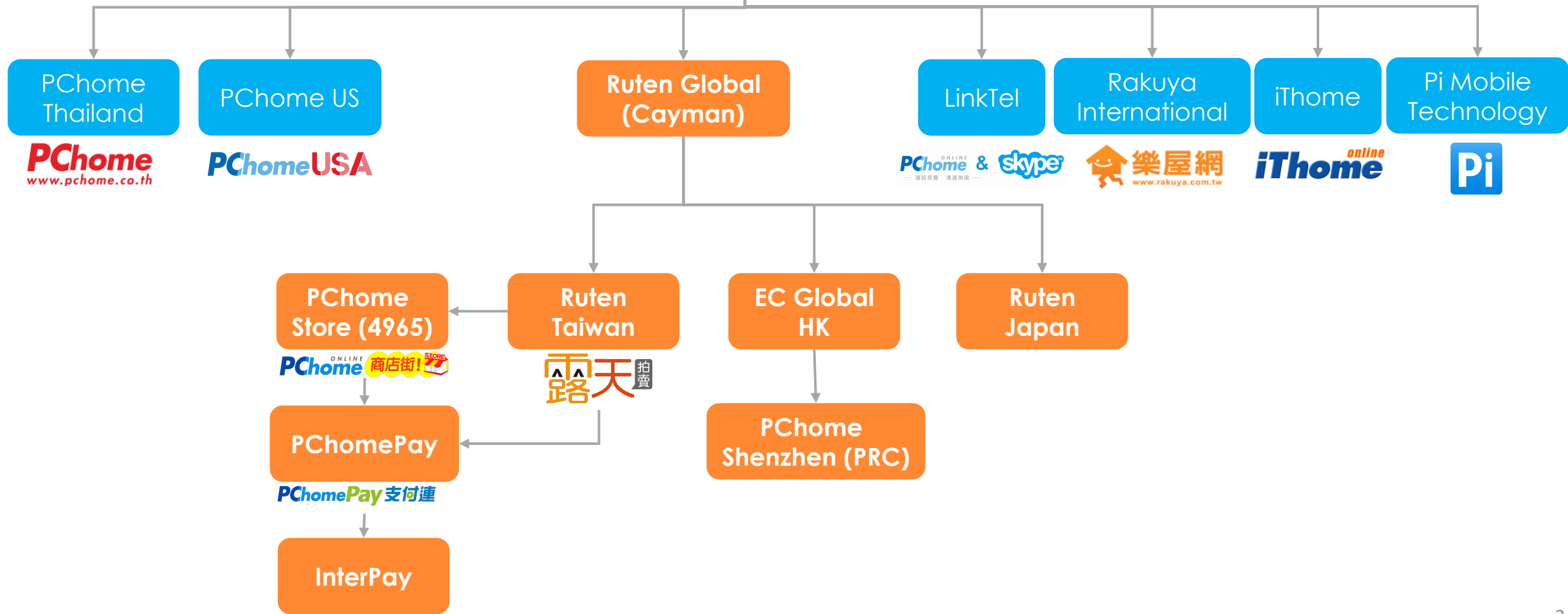
**No.1 Online Payment Service**

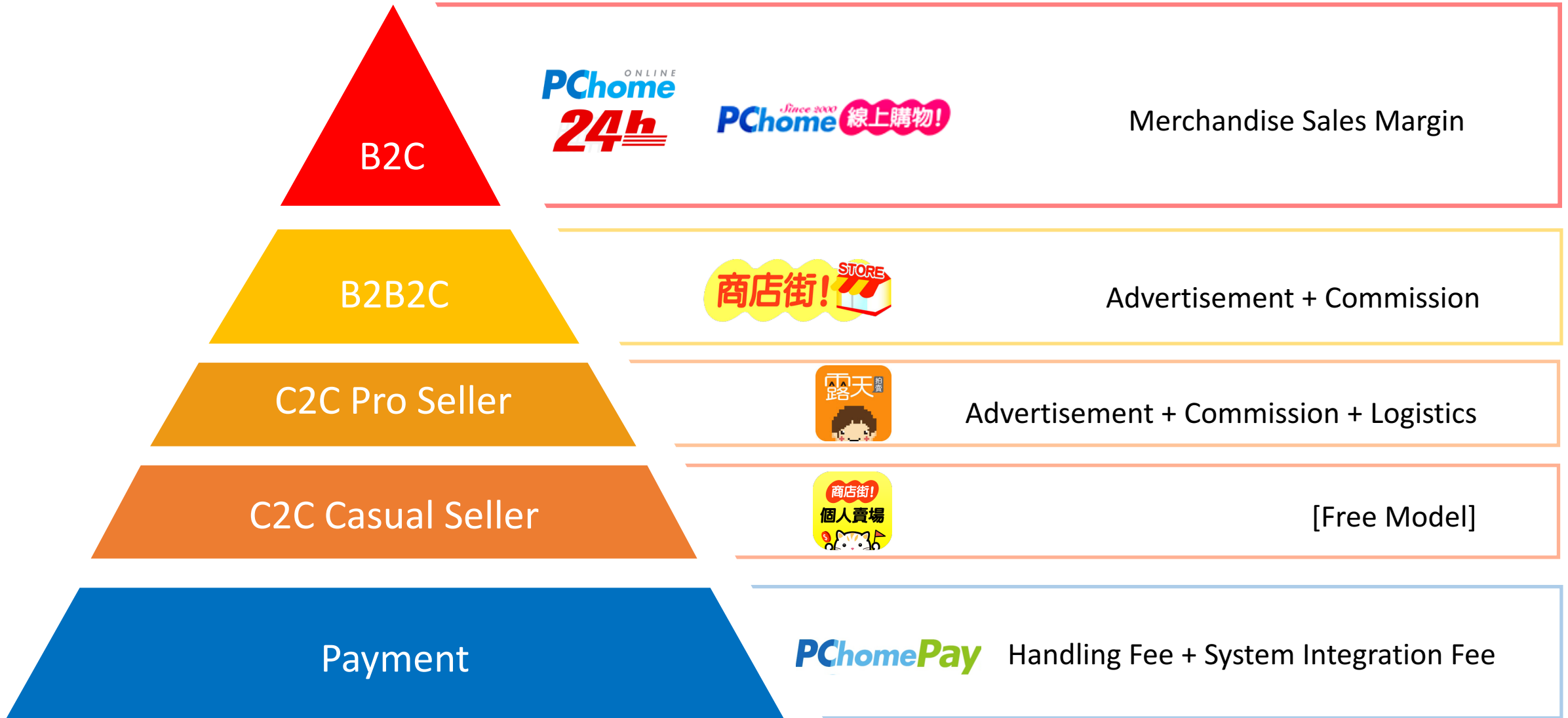
**PChome** ONLINE  
(8044-tw)

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<sup>ONLINE</sup> 24h 購物

SKU: 2,000,000 in stock

# of warehouse: 7

Total warehouse capacity : 210,000 M<sup>2</sup>

24hr delivery guarantee (\$100 if late)

Taipei City 6hr delivery

## PChome<sup>ONLINE</sup> 線上購物!

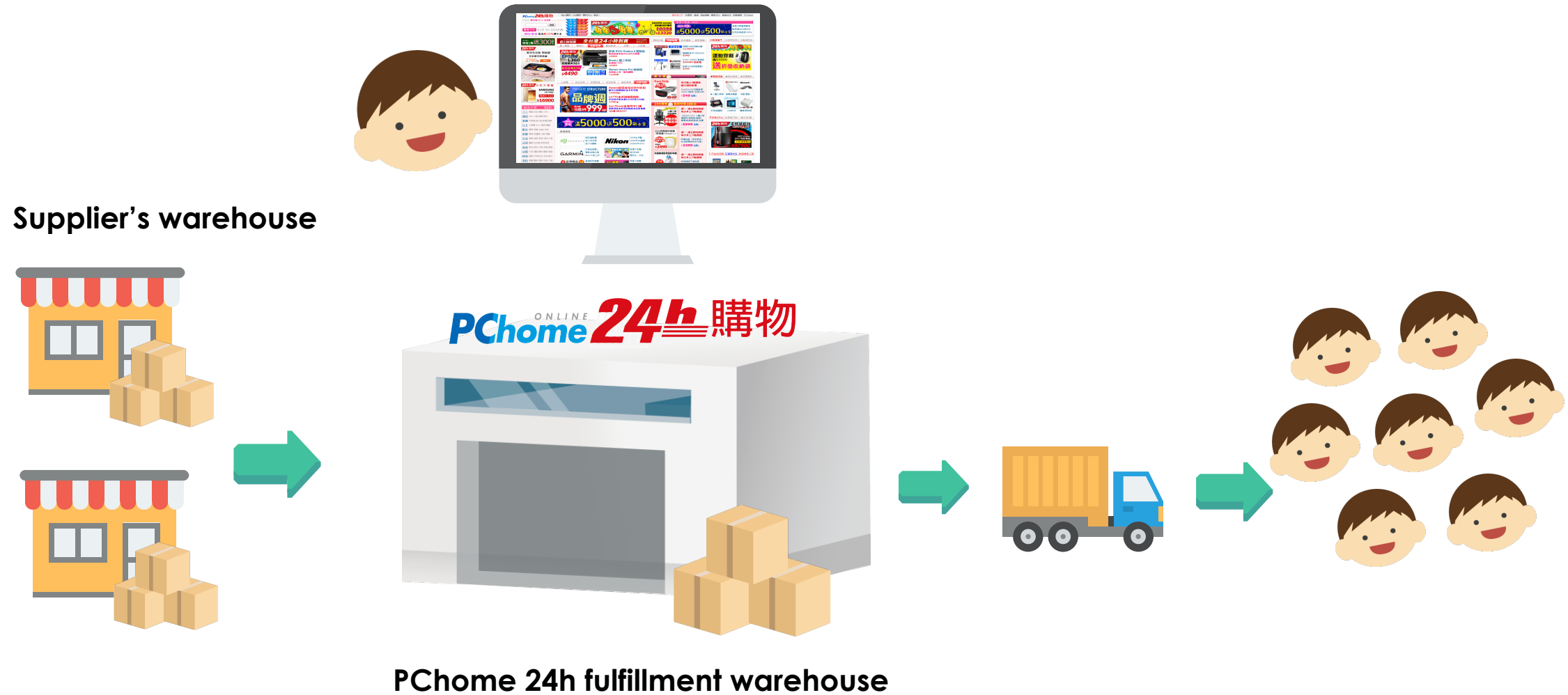
SKU: Over 3,000,000

Suppliers : Over 6,000

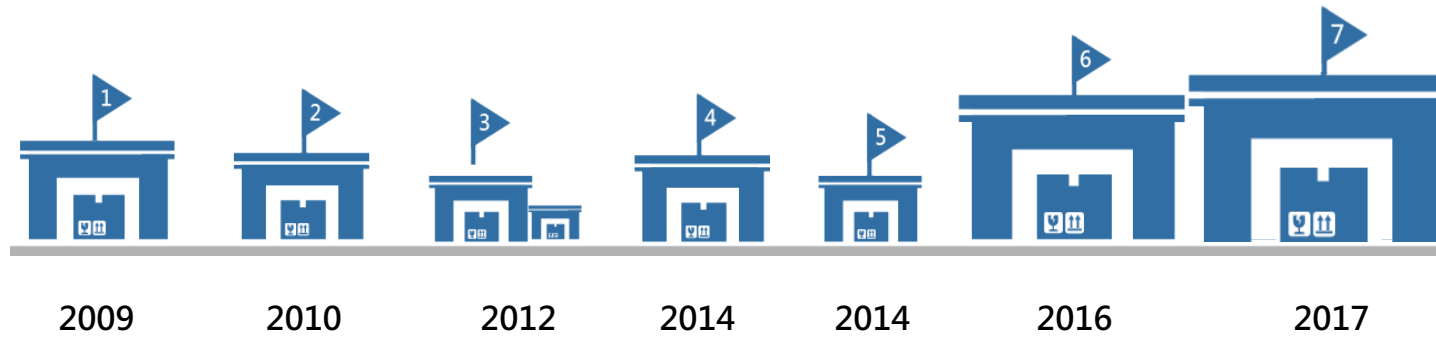
Ship from suppliers to customers

Delivery time: 2-4 days

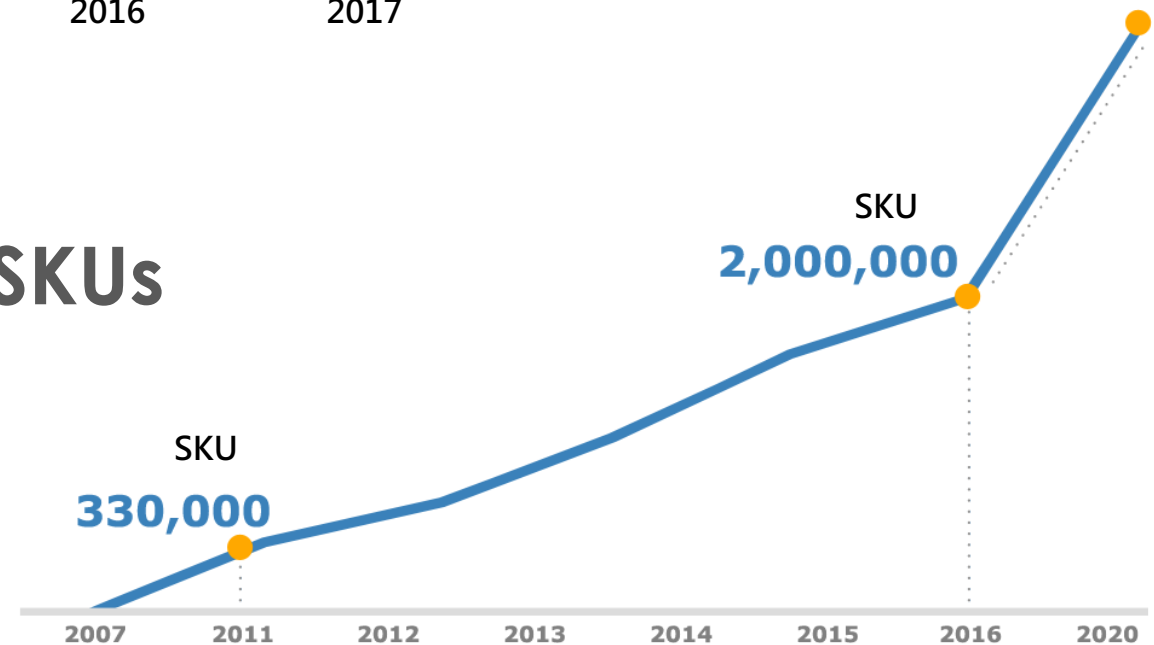
# Our B2C Consignment Model



# Now we have total 7 warehouses



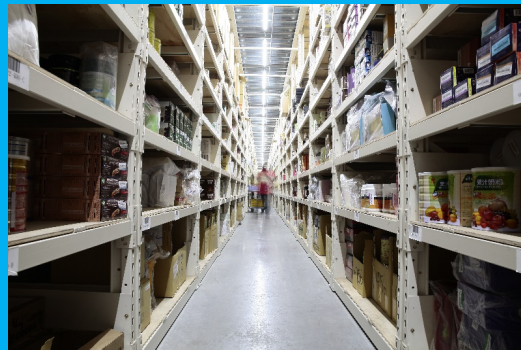
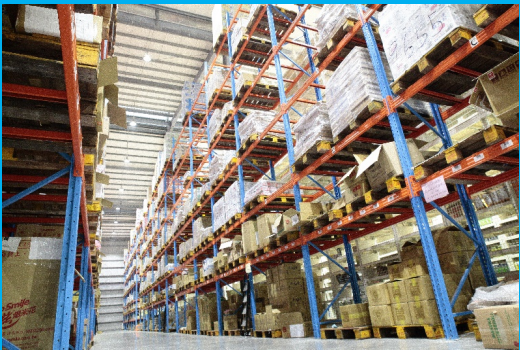
## Sustained increase in SKUs





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

PChome<sup>ONLINE</sup>

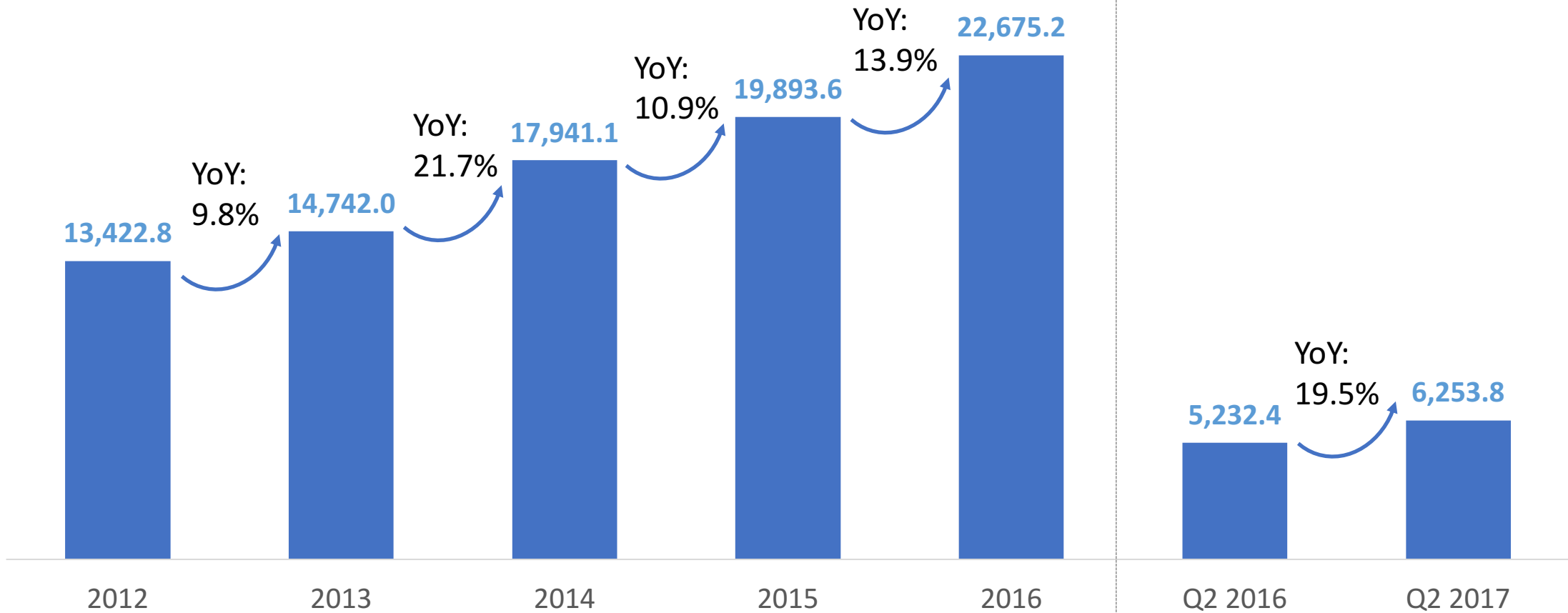


SKU: Over 2,000,000 in stock

Total Warehouse area: 210,000M<sup>2</sup>  
(Data as of May 2017)

# B2C Revenues

(in millions of TWD)







20x  
Hyper  
market

Non  
inventory

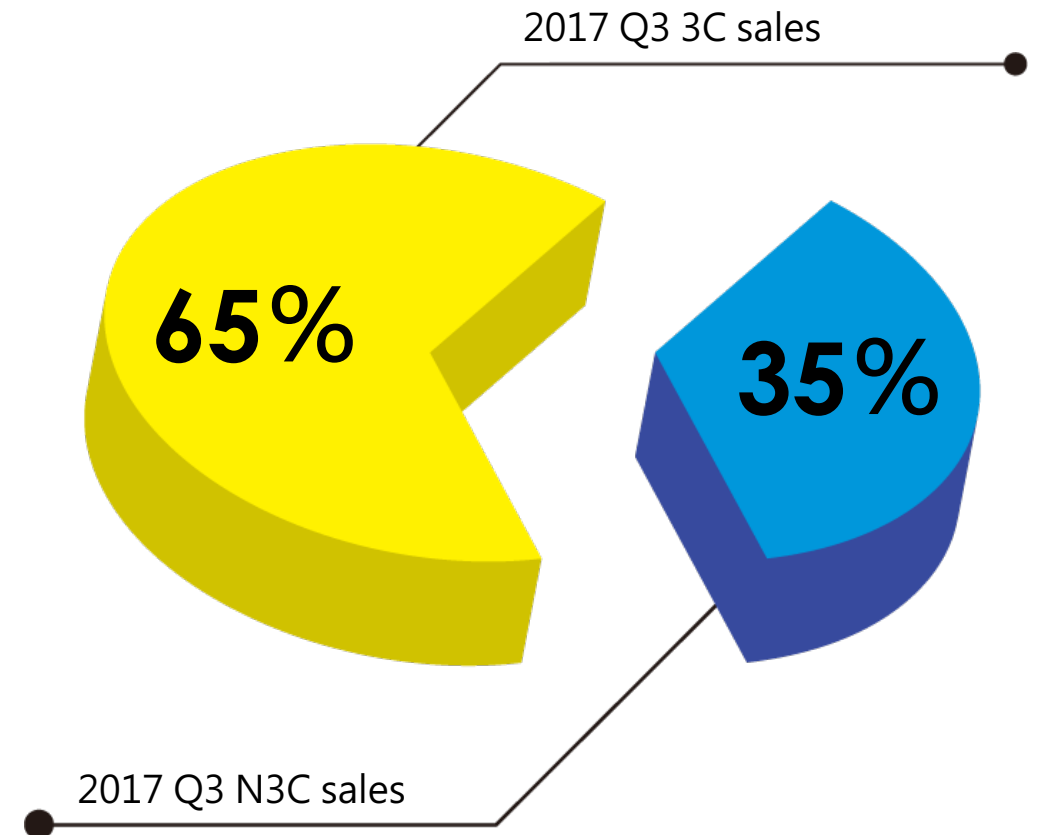
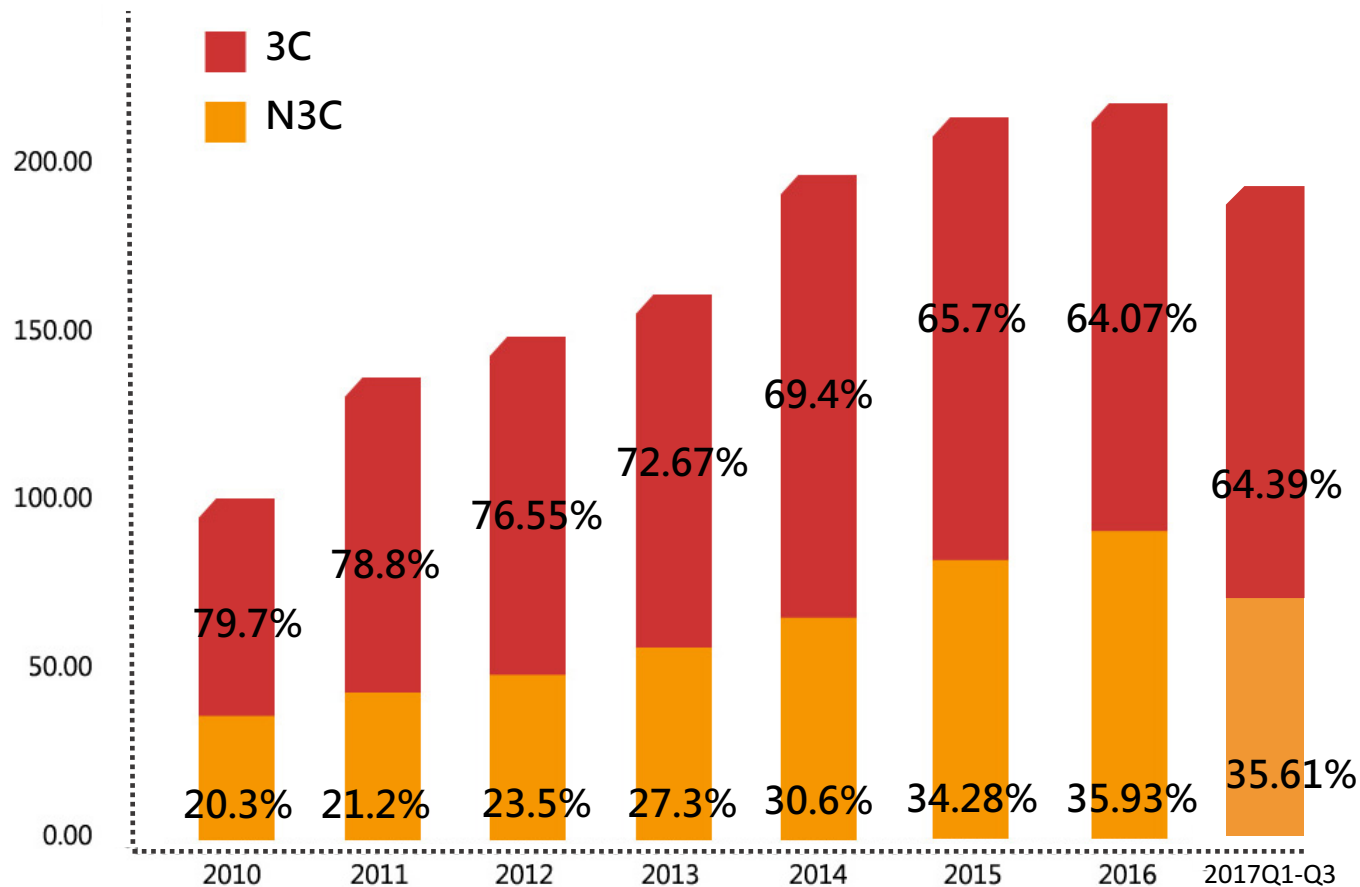
99.7%  
24hr ontime  
delivery

2m SKU  
in  
warehouse

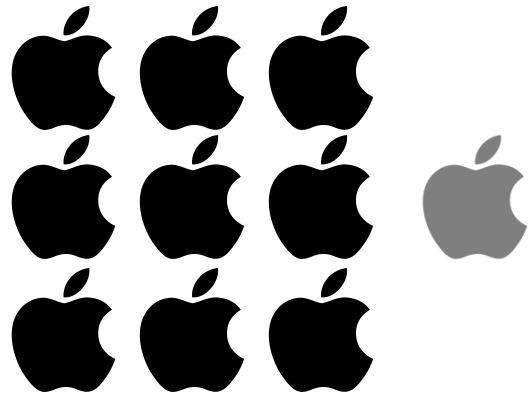


# 2010-2017 / 3C vs N3C Sales

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:**

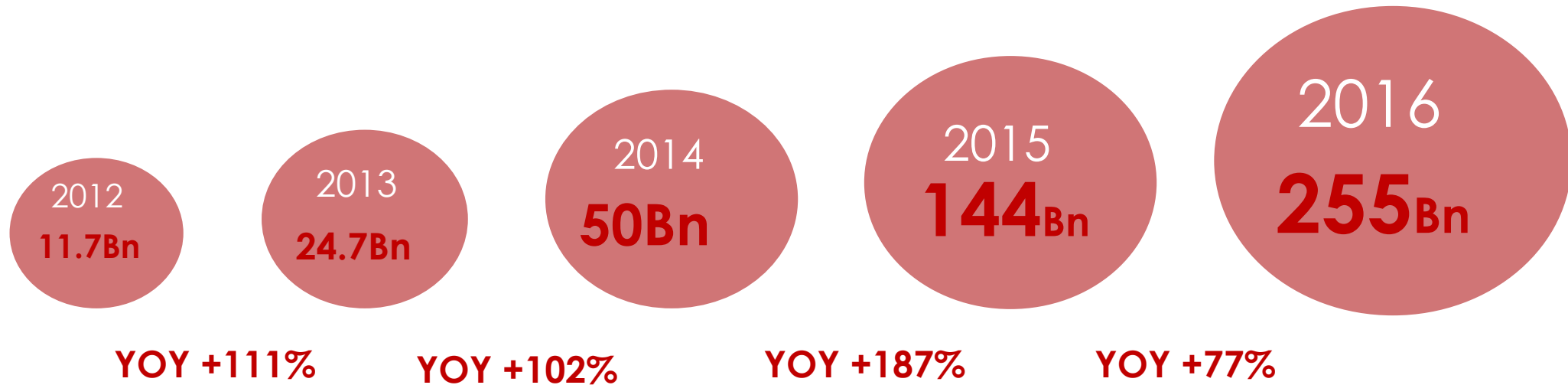
2016 GMV exceeds **NT\$250 billion**



**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.



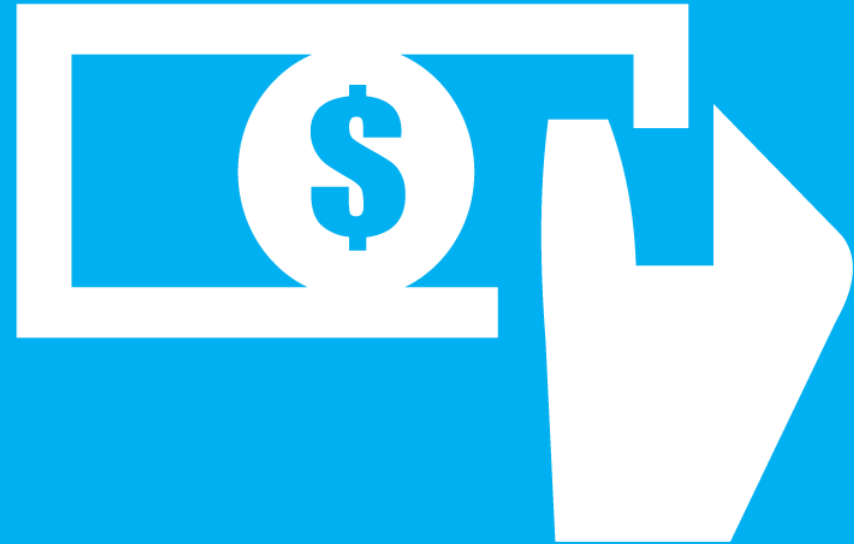
- 1,000,000 LIKES on FB fans page
- Free Line stickers launched
- Re-usable coupon released

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

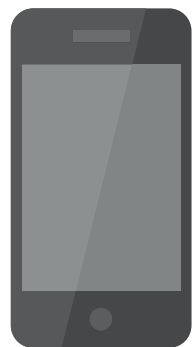




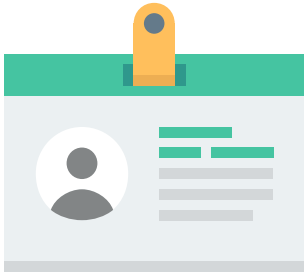
## Pi 行動錢包

- 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 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>
<b>CURRENT ASSET</b>	<u>9,958,022</u>	<u>92</u>	<u>9,300,635</u>	<u>93</u>	<u>657,387</u>	<u>7.1</u>
<b>NON-CURRENT ASSET</b>	<u>829,586</u>	<u>8</u>	<u>667,174</u>	<u>7</u>	<u>162,412</u>	<u>24.3</u>
<b>TOTAL ASSETS</b>	<u>10,787,608</u>	<u>100</u>	<u>9,967,809</u>	<u>100</u>	<u>819,799</u>	<u>8.2</u>
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>						
<b>CURRENT LIABILITIES</b>	<u>5,043,574</u>	<u>48</u>	<u>4,112,890</u>	<u>42</u>	<u>930,684</u>	22.6
<b>NON-CURRENT LIABILITIES</b>	<u>23,456</u>	<u>0</u>	<u>13,488</u>	<u>0</u>	<u>2,439</u>	
<b>TOTAL LIABILITIES</b>	<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>
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<u>5,720,578</u>	<u>53</u>	<u>5,841,431</u>	<u>59</u>	<u>(120,853)</u>	<u>-2.1</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<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!!