



**PChome** ONLINE

Ticker : 8044-TT

August 2023

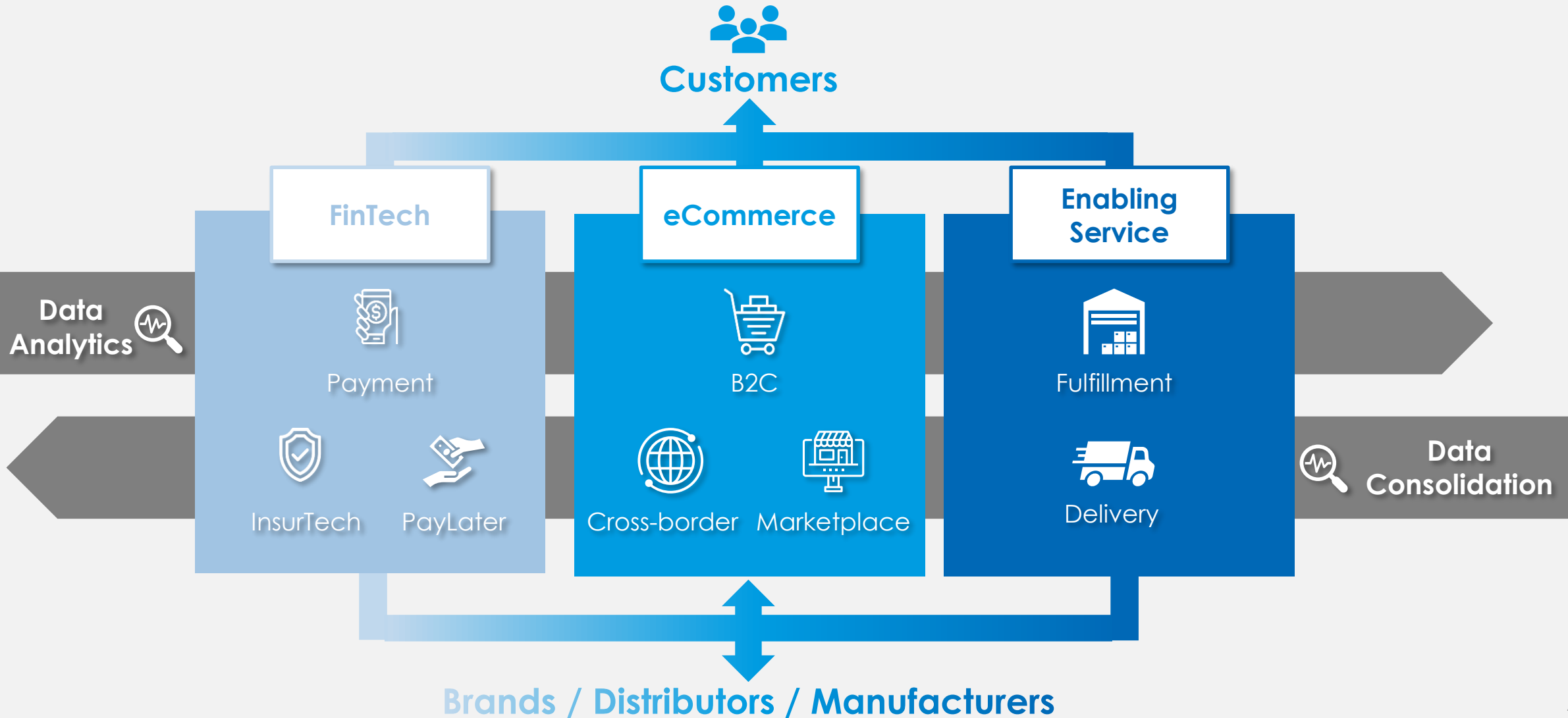


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# PChome Group Vision



# B2C Focus



## PChome, Everyday-reliable Partner

- Leading 3C products online retailer
- Expanding Non-3C categories
- Optimizing user experiences

## Strategic Partnership

## Fulfillment & Data Enablement

# 2Q 2023 Consolidated Financial Summary

NT\$ million	2Q 2023	2Q 2022	Change	YoY %	1H 2023	1H 2022	Change	YoY %
<b>Revenue</b>	9,022	11,180	(2,158)	-19.3%	19,177	22,889	(3,712)	-16.2%
<b>Gross profit</b>	1,164	1,305	(141)	-10.8%	2,363	2,738	(375)	-13.7%
<b>Operating expense</b>	(1,305)	(1,389)	84	-6.0%	(2,623)	(2,821)	198	-7.0%
<b>Operating profit (loss)</b>	(141)	(84)	(58)	NM	(259)	(83)	(177)	NM
<b>Non-operating income (loss)</b>	53	237	(183)	-77.4%	130	269	(143)	-51.4%
<b>Pretax income (loss)</b>	(88)	153	(241)	NM	(129)	186	(315)	NM
<b>Tax</b>	31	(71)	102	NM	(9)	(135)	125	-93.2%
<b>Net income (loss)</b>	(57)	82	(139)	NM	(138)	51	(189)	NM
- Attributed to shareholders	(86)	(2)	(84)	NM	(207)	(34)	(173)	NM
- Minority interest	29	84	(55)	-65.4%	69	85	(16)	-18.8%
<b>EPS(NT\$)</b>	(0.69)	(0.01)	(0.68)	NM	(1.65)	(0.26)	(1.39)	NM
<b>Gross margin(%)</b>	12.9%	11.7%	+1.2 ppt	-	12.3%	12.0%	+0.4 ppt	-
<b>Operating margin(%)</b>	-1.6%	-0.7%	-0.8 ppt	-	-1.4%	-0.4%	-1.0 ppt	-
<b>Adjusted EBITDA margin(%)</b>	1.9%	1.5%	+0.4 ppt	-	1.9%	1.8%	+0.1 ppt	-
<b>Net margin(%)</b>	-0.6%	0.7%	-1.4 ppt	-	-0.7%	0.2%	-0.9 ppt	-

# 2Q 2023 Revenue/Profit Breakdown by Business Divisions

## Revenue Breakdown



## Operating Profit Breakdown



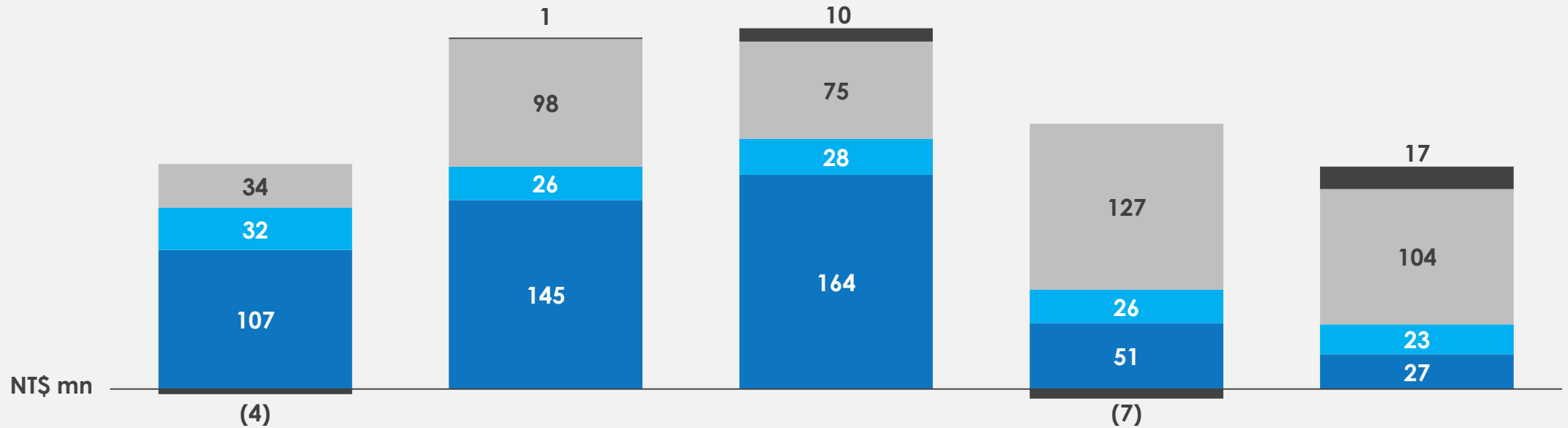
Note1 : The revenue of Other BU shown above has reflected a one-time accounting adjustment after the the change in the method of revenue recognition (gross basis in 1Q 2023, and a net basis in 2Q 2023) for Bibian, a subsidiary of PChome cross-border ecommerce service.

Note2 : For Fintech, pretax profit is shown to better reflect the profit contribution of the credit business since 4Q 2021.

# Adjusted EBITDA Breakdown by Business Divisions

■ B2C ■ Marketplace ■ Fintech\* ■ Other

+0.9% YoY

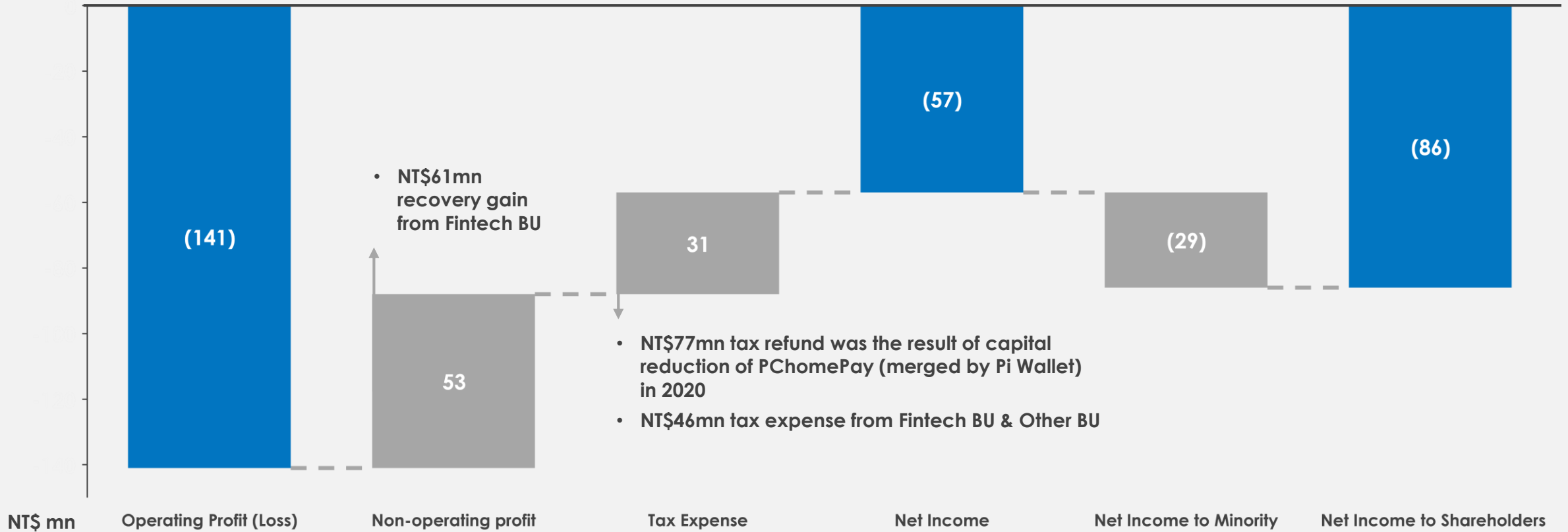


	2Q22	3Q22	4Q22	1Q23	2Q23
Adjusted EBITDA	169	269	277	196	170
Adjusted EBITDA Margin(%)	1.5%	2.7%	2.1%	1.9%	1.9%

Note\* : Adjusted EBITDA included pretax profit of Fintech BU to better reflect the profit contribution of the credit business since 4Q 2021.

# 2Q 2023 Consolidated Financial Summary

## Non-operating Income / Net Income



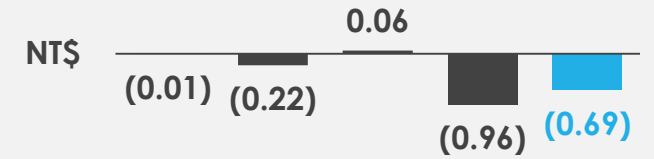
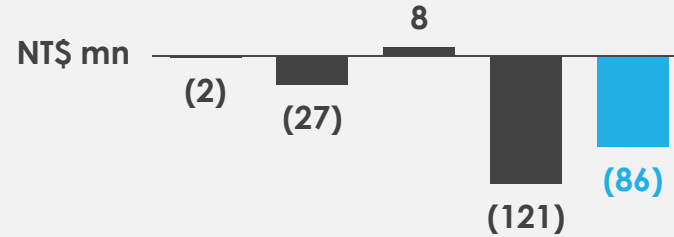
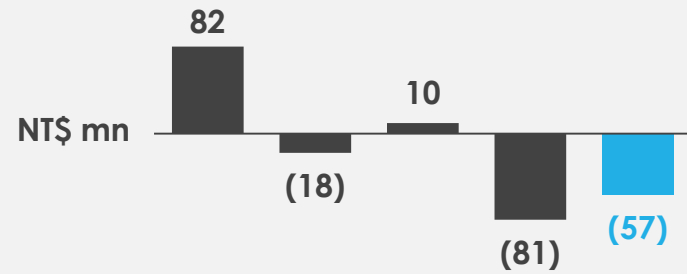


# 2Q 2023 Consolidated Financial Summary

### Net Income

### Net Income Attributable to Shareholders

### EPS



Net Margin	2Q22	3Q22	4Q22	1Q23	2Q23
	0.7%	-0.2%	0.1%	-0.8%	-0.6%

2Q22 3Q22 4Q22 1Q23 2Q23

2Q22 3Q22 4Q22 1Q23 2Q23

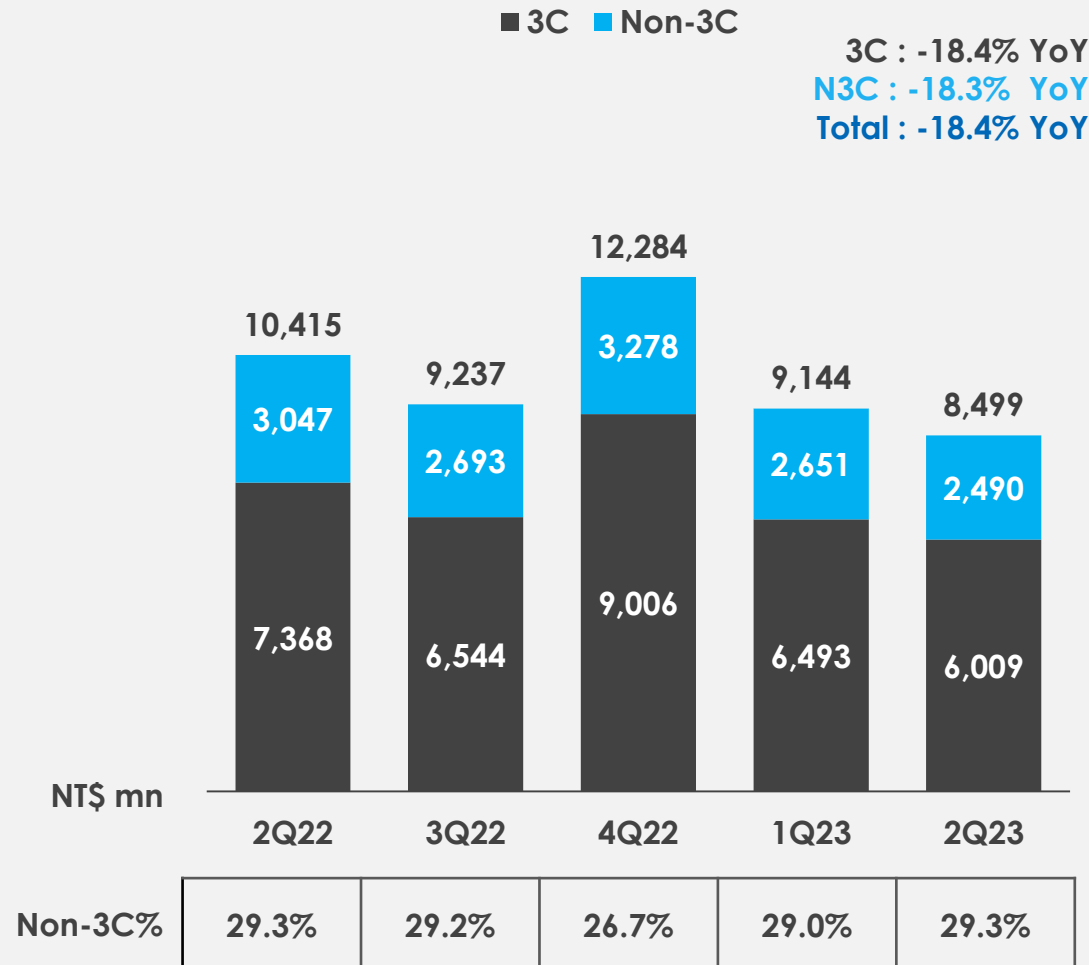
## 2Q 2023 Standalone Income Statement

NT\$ million	2Q 2023		2Q 2022		YoY	1H 2023		1H 2022		YoY
	Amount	%	Amount	%		Amount	%	Amount	%	
<b>Revenue</b>	<b>8,499</b>	<b>100.0%</b>	<b>10,415</b>	<b>100.0%</b>	<b>-18.4%</b>	<b>17,643</b>	<b>100.0%</b>	<b>21,376</b>	<b>100.0%</b>	<b>-17.5%</b>
<b>Gross profit</b>	<b>903</b>	<b>10.6%</b>	<b>1,119</b>	<b>10.7%</b>	<b>-19.3%</b>	<b>1,858</b>	<b>10.5%</b>	<b>2,373</b>	<b>11.1%</b>	<b>-21.7%</b>
<b>Operating expense</b>	<b>(1,070)</b>	<b>-12.6%</b>	<b>(1,172)</b>	<b>-11.3%</b>	<b>-8.7%</b>	<b>(2,178)</b>	<b>-12.3%</b>	<b>(2,395)</b>	<b>-11.2%</b>	<b>-9.1%</b>
S&M expense	(902)	-10.6%	(967)	-9.3%	-6.8%	(1,838)	-10.4%	(2,006)	-9.4%	-8.4%
G&A expense	(66)	-0.8%	(88)	-0.8%	-25.0%	(130)	-0.7%	(167)	-0.8%	-21.9%
R&D expense	(103)	-1.2%	(117)	-1.1%	-12.2%	(210)	-1.2%	(221)	-1.0%	-5.2%
<b>Operating profit (loss)</b>	<b>(167)</b>	<b>-2.0%</b>	<b>(53)</b>	<b>-0.5%</b>	<b>NM</b>	<b>(319)</b>	<b>-1.8%</b>	<b>(22)</b>	<b>-0.1%</b>	<b>NM</b>
<b>Non-operating income (loss)</b>	<b>5</b>	<b>0.1%</b>	<b>73</b>	<b>0.7%</b>	<b>-93.8%</b>	<b>36</b>	<b>0.2%</b>	<b>40</b>	<b>0.2%</b>	<b>-11.1%</b>
<b>Pretax income (loss)</b>	<b>(163)</b>	<b>-1.9%</b>	<b>20</b>	<b>0.2%</b>	<b>NM</b>	<b>(284)</b>	<b>-1.6%</b>	<b>18</b>	<b>0.1%</b>	<b>NM</b>
<b>Tax<sup>1</sup></b>	<b>77</b>	<b>0.9%</b>	<b>(22)</b>	<b>-0.2%</b>	<b>NM</b>	<b>77</b>	<b>0.4%</b>	<b>(52)</b>	<b>-0.2%</b>	<b>NM</b>
<b>Net income (loss)</b>	<b>(86)</b>	<b>-1.0%</b>	<b>(2)</b>	<b>0.0%</b>	<b>NM</b>	<b>(207)</b>	<b>-1.2%</b>	<b>(34)</b>	<b>-0.2%</b>	<b>NM</b>

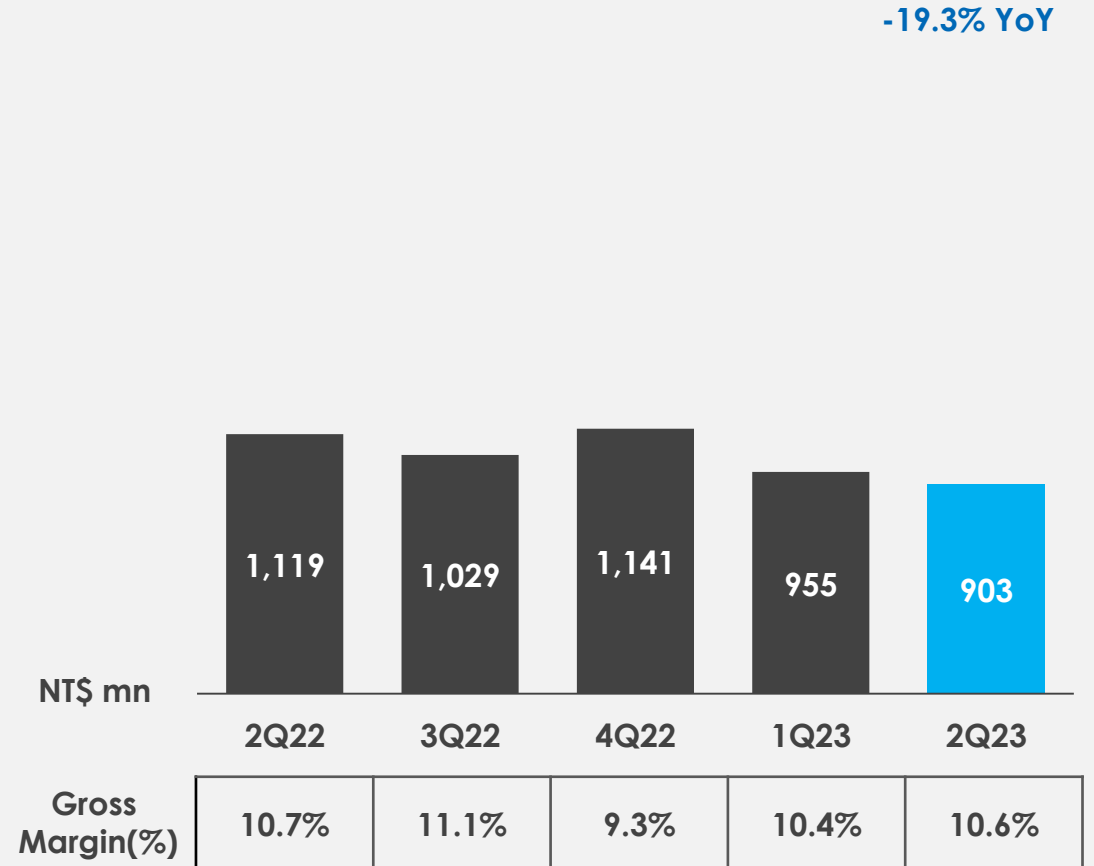
Note1 : The tax refund of NT\$77 million in 2Q 2023 was the result of capital reduction of PChomePay (merged by Pi Wallet) in 2020.

# B2C: 2Q 2023 Financial Summary

## B2C Sales Breakdown



## B2C Gross Profit

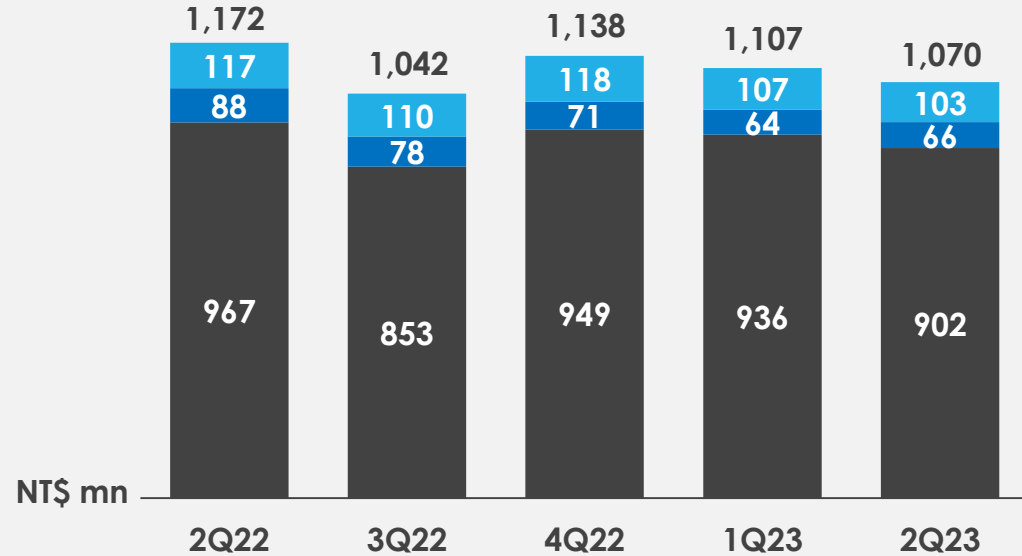


# B2C: 2Q 2023 Financial Summary

## B2C Operating Expense Breakdown

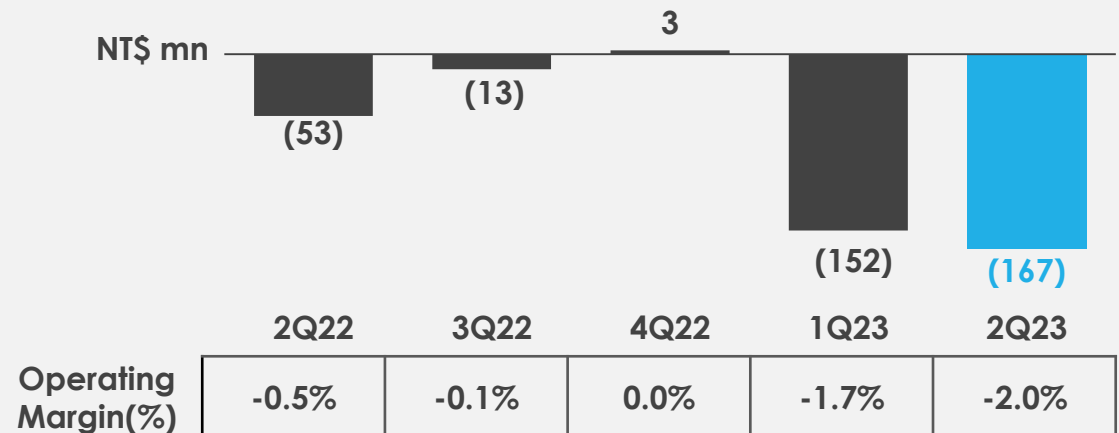
■ Selling expense ■ G&A expense ■ R&D expense

-8.7% YoY



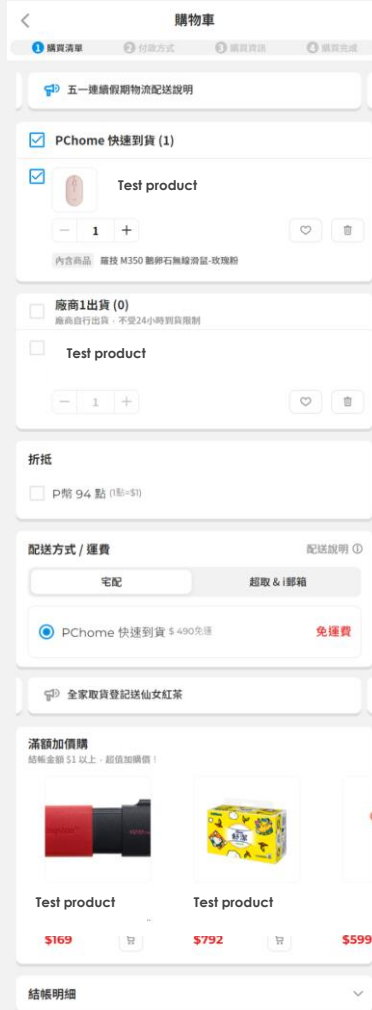
	2Q22	3Q22	4Q22	1Q23	2Q23
S&M expense(%)	9.3%	9.2%	7.7%	10.2%	10.6%
G&A expense(%)	0.8%	0.8%	0.6%	0.7%	0.8%
R&D expense(%)	1.1%	1.2%	1.0%	1.2%	1.2%
OPEX(%)	11.2%	11.3%	9.3%	12.1%	12.6%

## B2C Operating Profit



# B2C: 2Q 2023 Operation Highlights

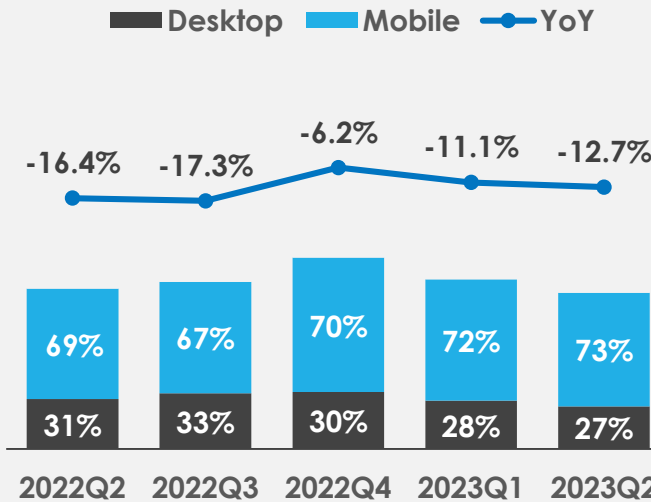
## Shopping Cart Redesign Showcase



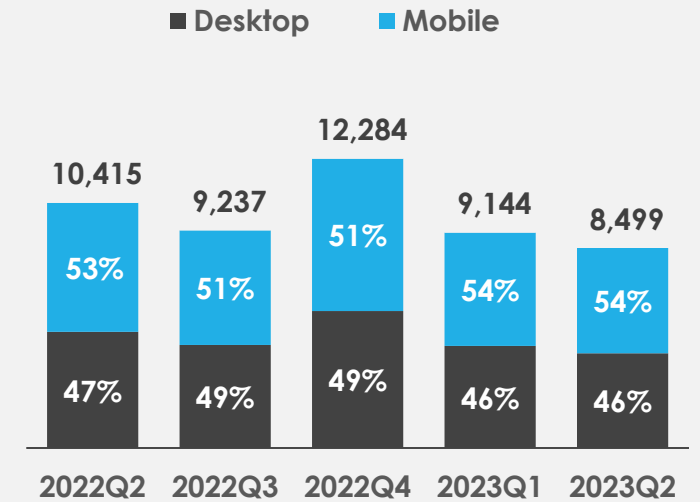
### UIUX Optimization Progress

- UIUX Optimization progress :
  - **60%** of total pages was revamped as of 2Q 2023 - product pages, main category pages, shopping cart, web efficiency improvement, SEO
  - **90%** of total pages is expected to be revamped by end of 2023 – sub-category pages & others
- Shopping Cart Conversion Rate: **+ 80 basis point YoY**

### MAU Breakdown by Device



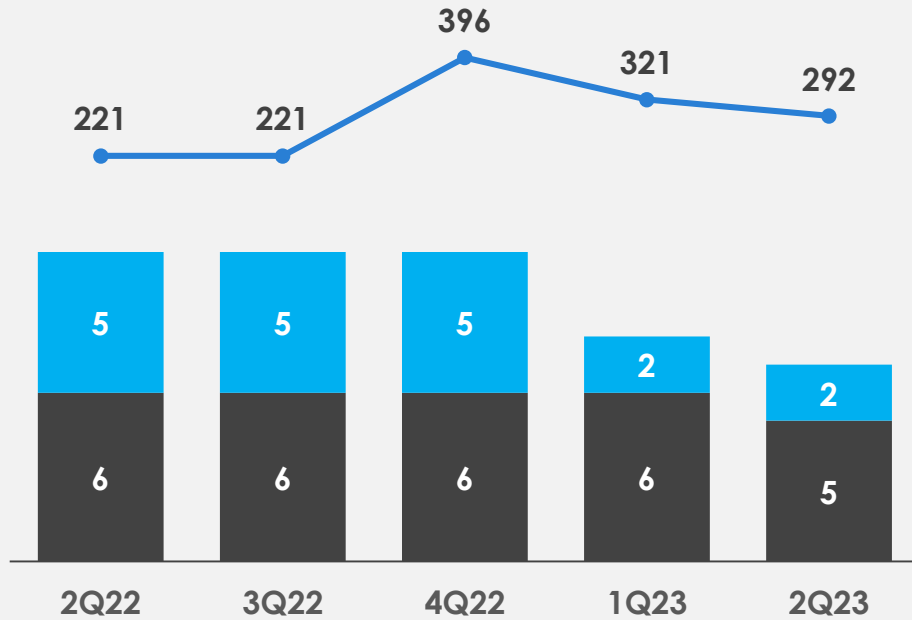
### Revenue Breakdown by Device



# B2C: 2Q 2023 Fulfillment Capacities

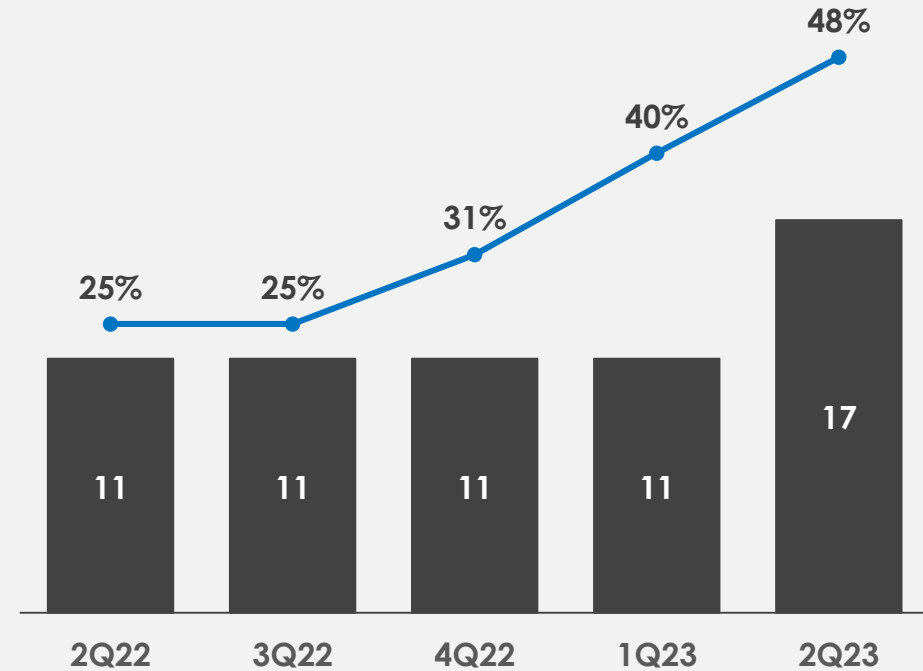
## Warehouse Status

- # of Outsource Warehouse
- # of Self-operated Warehouse
- Total Spaces(k square meter)



## PChome Express Status

- # of Delivery Station
- B2C orders delivered by PChomeExpress (%)

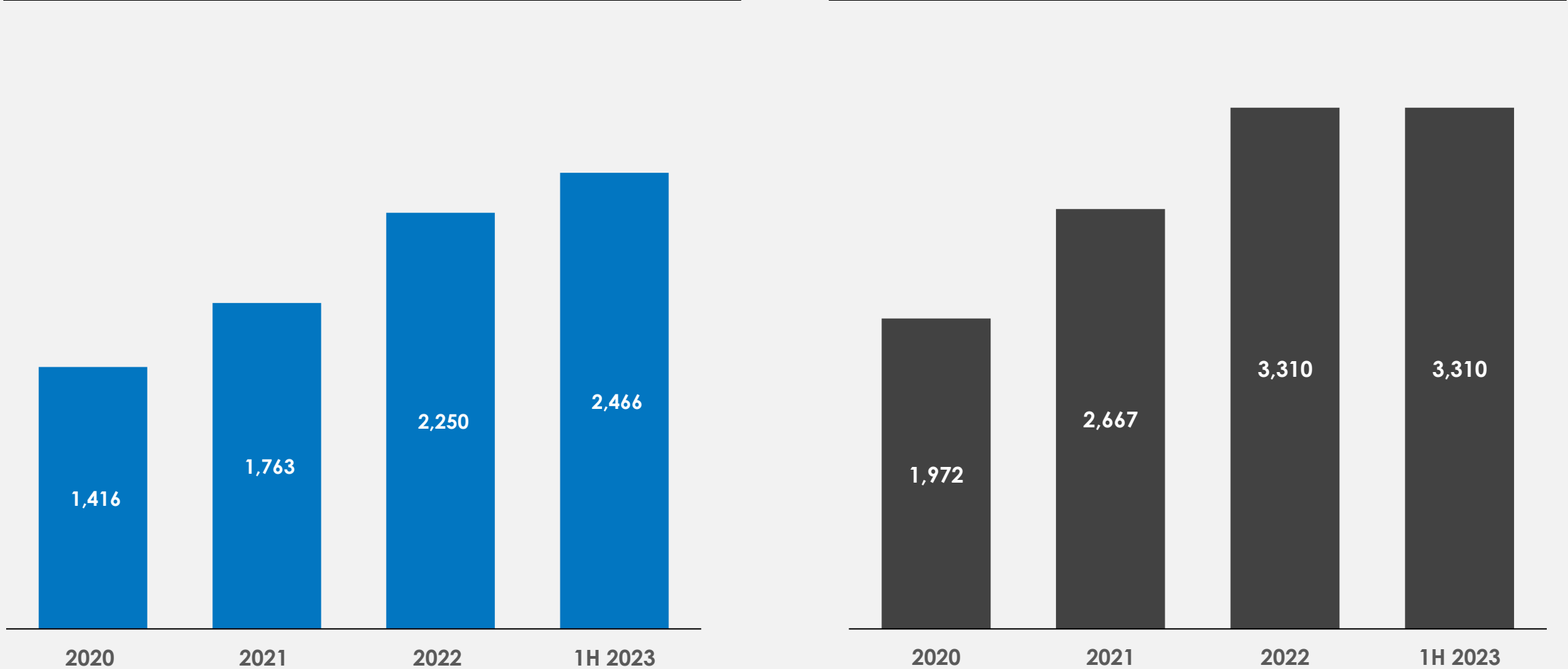


A7 Order (%)	-	-	-	26%	33%
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# 21 Fintech: Total Users and Accounts Receivables

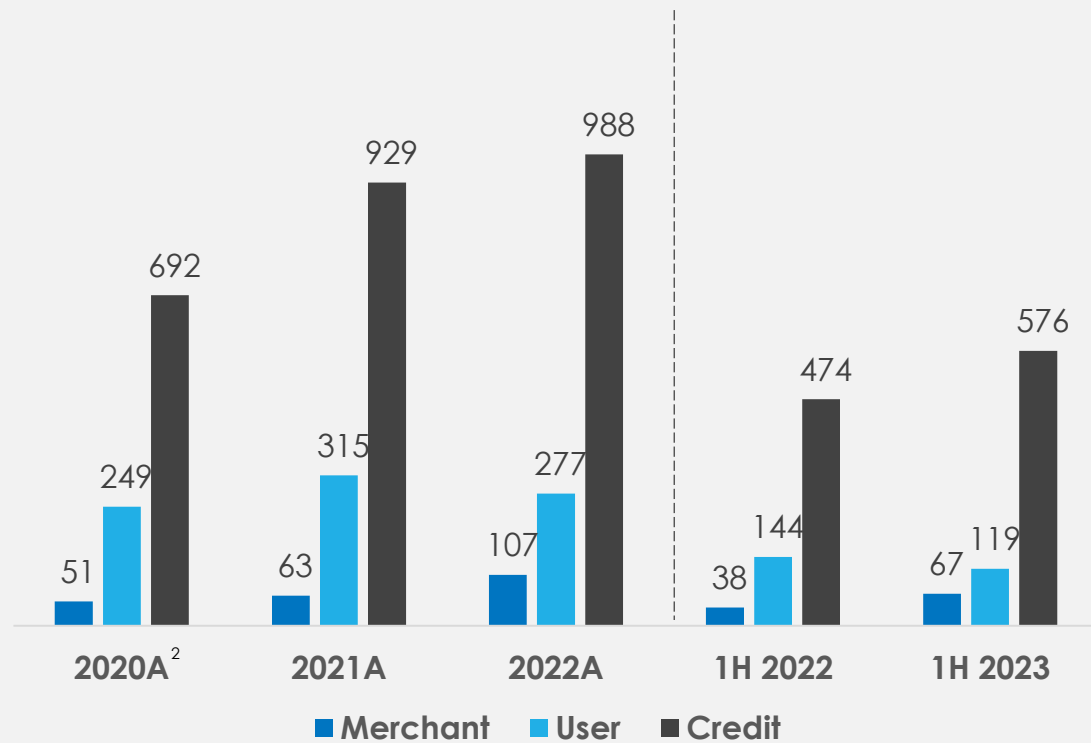
Total Registered Users (k)

Accounts Receivables (NT\$ mn)

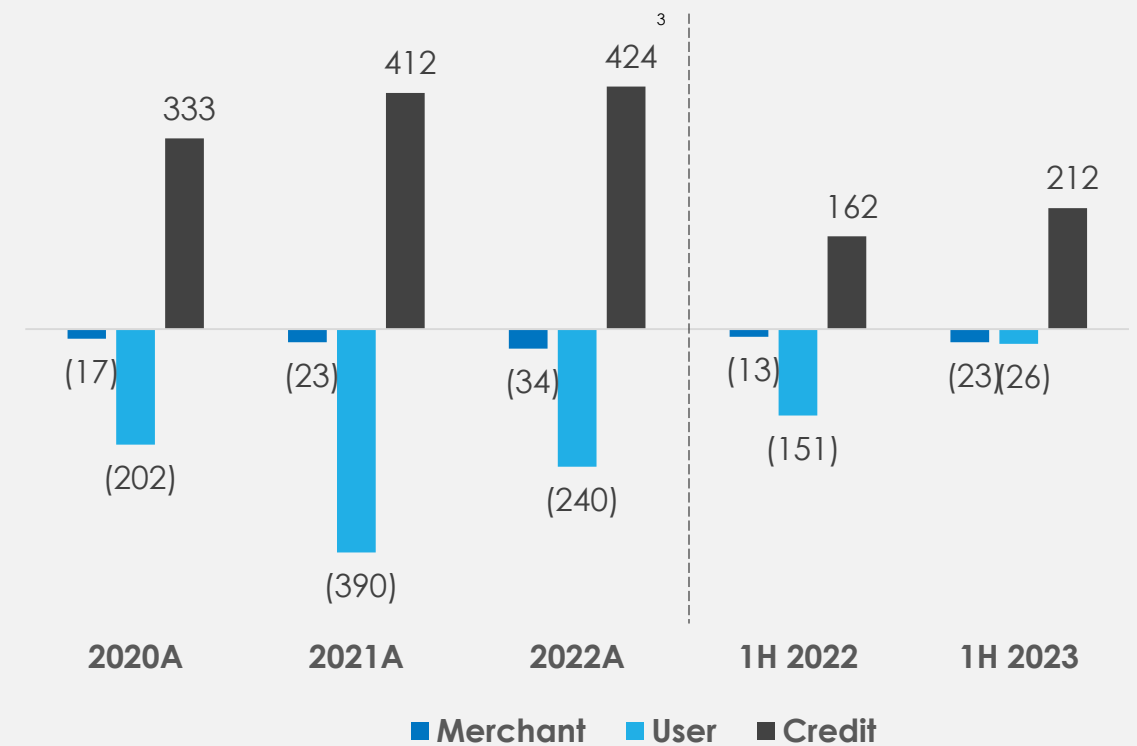


# 21 Fintech: Historical Revenue and Net Income Breakdown

Revenue (NT\$ mn)



Net Income (NT\$ mn)



Note1 : The financial numbers are on a proforma basis, assuming all business segments were merged since 2019 and based on standalone financial statement of merchant, user, credit segment.

Note2 : 2020 numbers are on an EAS basis, 2021 & 2022 are on a IFRS basis.

Note3 : Adjusted for 2022 one-time costs from change of accounting rules and capital market fees.



# Q&A



# Financial Statement



# 2Q 2023 Consolidated Income Statement

NT\$ million	2Q 2023		2Q 2022		YoY	1H 2023		1H 2022		YoY
	Amount	%	Amount	%		Amount	%	Amount	%	
<b>Revenue</b>	<b>9,022</b>	<b>100.0%</b>	<b>11,180</b>	<b>100.0%</b>	<b>-19.3%</b>	<b>19,177</b>	<b>100.0%</b>	<b>22,889</b>	<b>100.0%</b>	<b>-16.2%</b>
- B2C	8,499		10,415		-18.4%	17,643		21,376		-17.5%
- Marketplace	247		354		-30.1%	547		716		-23.5%
- Fintech	381		301		26.8%	769		620		24.0%
- Other <sup>1</sup>	178		110		61.5%	218		177		22.8%
<b>Gross profit</b>	<b>1,164</b>	<b>12.9%</b>	<b>1,305</b>	<b>11.7%</b>	<b>-10.8%</b>	<b>2,363</b>	<b>12.3%</b>	<b>2,738</b>	<b>12.0%</b>	<b>-13.7%</b>
<b>Operating expense</b>	<b>(1,305)</b>	<b>-14.5%</b>	<b>(1,389)</b>	<b>-12.4%</b>	<b>-6.0%</b>	<b>(2,623)</b>	<b>-13.7%</b>	<b>(2,821)</b>	<b>-12.3%</b>	<b>-7.0%</b>
<b>Operating profit (loss)</b>	<b>(141)</b>	<b>-1.6%</b>	<b>(84)</b>	<b>-0.7%</b>	<b>NM</b>	<b>(259)</b>	<b>-1.4%</b>	<b>(83)</b>	<b>-0.4%</b>	<b>NM</b>
- B2C	(167)		(53)		NM	(319)		(22)		NM
- Marketplace	12		21		-39.3%	27		49		-44.6%
- Fintech	36		(13)		NM	103		(4)		NM
- Other	(22)		(38)		NM	(70)		(107)		NM
<b>Adjusted EBITDA<sup>2</sup></b>	<b>170</b>	<b>1.9%</b>	<b>169</b>	<b>1.5%</b>	<b>0.9%</b>	<b>366</b>	<b>1.9%</b>	<b>421</b>	<b>1.8%</b>	<b>-13.0%</b>
- B2C	27		107		-75.0%	77		297		-74.0%
- Marketplace	23		32		-29.3%	48		73		-33.8%
- Fintech	104		34		205.4%	231		90		156.8%
- Other	17		(4)		NM	10		(39)		NM
<b>Non-operating income (loss)</b>	<b>53</b>	<b>0.6%</b>	<b>237</b>	<b>2.1%</b>	<b>-77.4%</b>	<b>130</b>	<b>0.7%</b>	<b>269</b>	<b>1.2%</b>	<b>-51.4%</b>
<b>Pretax income (loss)</b>	<b>(88)</b>	<b>-1.0%</b>	<b>153</b>	<b>1.4%</b>	<b>NM</b>	<b>(129)</b>	<b>-0.7%</b>	<b>186</b>	<b>0.8%</b>	<b>NM</b>
<b>Tax</b>	<b>31</b>	<b>0.3%</b>	<b>(71)</b>	<b>-0.6%</b>	<b>NM</b>	<b>(9)</b>	<b>0.0%</b>	<b>(135)</b>	<b>-0.6%</b>	<b>NM</b>
<b>Net income (loss)</b>	<b>(57)</b>	<b>-0.6%</b>	<b>82</b>	<b>0.7%</b>	<b>NM</b>	<b>(138)</b>	<b>-0.7%</b>	<b>51</b>	<b>0.2%</b>	<b>NM</b>
- Attributed to shareholders	(86)		(2)		NM	(207)		(34)		NM
- Minority interest	29		84		-65.4%	69		85		-18.8%
<b>EPS(NT\$)</b>	<b>(0.69)</b>		<b>(0.01)</b>		<b>NM</b>	<b>(1.65)</b>		<b>(0.26)</b>		<b>NM</b>

Note1 : The revenue of Other BU shown above has reflected a one-time accounting adjustment after the the change in the method of revenue recognition (gross basis in 1Q2023, and now on a net basis) for Bibian, a subsidiary of PChome cross-border ecommerce service.

Note2 : Adjusted EBITDA included pretax profit of Fintech BU to better reflect the profit contribution of the credit business since 4Q 2021.

# 2Q 2023 Standalone Income Statement

NT\$ million	2Q 2023		2Q 2022		YoY	1H 2023		1H 2022		YoY
	Amount	%	Amount	%		Amount	%	Amount	%	
<b>Revenue</b>	<b>8,499</b>	<b>100.0%</b>	<b>10,415</b>	<b>100.0%</b>	<b>-18.4%</b>	<b>17,643</b>	<b>100.0%</b>	<b>21,376</b>	<b>100.0%</b>	<b>-17.5%</b>
<b>Gross profit</b>	<b>903</b>	<b>10.6%</b>	<b>1,119</b>	<b>10.7%</b>	<b>-19.3%</b>	<b>1,858</b>	<b>10.5%</b>	<b>2,373</b>	<b>11.1%</b>	<b>-21.7%</b>
<b>Operating expense</b>	<b>(1,070)</b>	<b>-12.6%</b>	<b>(1,172)</b>	<b>-11.3%</b>	<b>-8.7%</b>	<b>(2,178)</b>	<b>-12.3%</b>	<b>(2,395)</b>	<b>-11.2%</b>	<b>-9.1%</b>
S&M expense	(902)	-10.6%	(967)	-9.3%	-6.8%	(1,838)	-10.4%	(2,006)	-9.4%	-8.4%
G&A expense	(66)	-0.8%	(88)	-0.8%	-25.0%	(130)	-0.7%	(167)	-0.8%	-21.9%
R&D expense	(103)	-1.2%	(117)	-1.1%	-12.2%	(210)	-1.2%	(221)	-1.0%	-5.2%
<b>Operating profit (loss)</b>	<b>(167)</b>	<b>-2.0%</b>	<b>(53)</b>	<b>-0.5%</b>	<b>NM</b>	<b>(319)</b>	<b>-1.8%</b>	<b>(22)</b>	<b>-0.1%</b>	<b>NM</b>
<b>Non-operating income (loss)</b>	<b>5</b>	<b>0.1%</b>	<b>73</b>	<b>0.7%</b>	<b>-93.8%</b>	<b>36</b>	<b>0.2%</b>	<b>40</b>	<b>0.2%</b>	<b>-11.1%</b>
<b>Pretax income (loss)</b>	<b>(163)</b>	<b>-1.9%</b>	<b>20</b>	<b>0.2%</b>	<b>NM</b>	<b>(284)</b>	<b>-1.6%</b>	<b>18</b>	<b>0.1%</b>	<b>NM</b>
<b>Tax<sup>1</sup></b>	<b>77</b>	<b>0.9%</b>	<b>(22)</b>	<b>-0.2%</b>	<b>NM</b>	<b>77</b>	<b>0.4%</b>	<b>(52)</b>	<b>-0.2%</b>	<b>NM</b>
<b>Net income (loss)</b>	<b>(86)</b>	<b>-1.0%</b>	<b>(2)</b>	<b>0.0%</b>	<b>NM</b>	<b>(207)</b>	<b>-1.2%</b>	<b>(34)</b>	<b>-0.2%</b>	<b>NM</b>

Note1 : The tax refund of NT\$77 million in 2Q 2023 was the result of capital reduction of PChomePay (merged by Pi Wallet) in 2020

# 2Q 2023 Consolidated Balance Sheet

NT\$ million	2Q 2023		2Q 2022		NT\$ million	2Q 2023		2Q 2022	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>ASSETS</b>					<b>LIABILITIES</b>				
<b>Current Assets :</b>					<b>Current Liabilities :</b>				
Cash & Cash Equivalents	6,242	21.9%	6,339	26.8%	Short Term Borrowings	3,918	13.8%	1,934	8.2%
Accounts Receivables	3,210	11.3%	2,847	12.0%	Account Payable	2,822	9.9%	3,771	16.0%
AR of Fintech BU	2,647	9.3%	2,204	9.3%	Other Payables	1,381	4.9%	1,381	5.8%
AR excl. Fintech BU	563	2.0%	643	2.7%	Other Current Liabilities	5,348	18.8%	3,739	15.8%
Other Receivables	1,151	4.0%	1,098	4.6%	<b>Total Current Liabilities</b>	<b>13,470</b>	<b>47.4%</b>	<b>10,825</b>	<b>45.8%</b>
Inventories	1,104	3.9%	1,657	7.0%	<b>Non-current Liabilities :</b>	<b>6,708</b>	<b>23.6%</b>	<b>5,341</b>	<b>22.6%</b>
Other Current Assets	1,941	6.8%	1,642	6.9%	<b>TOTAL LIABILITIES</b>	<b>20,178</b>	<b>70.9%</b>	<b>16,166</b>	<b>68.4%</b>
<b>Total Current Assets</b>	<b>13,647</b>	<b>48.0%</b>	<b>13,583</b>	<b>57.5%</b>	<b>STOCKHOLDERS' EQUITY</b>				
<b>Non-current Assets :</b>					Capital Stock :				
Long Term Investments	1,546	5.4%	1,686	7.1%	Common Stock	1,282	4.5%	1,285	5.4%
Property, Plant, and Equipment	1,507	5.3%	965	4.1%	Capital Surplus	5,065	17.8%	4,716	20.0%
Intangible Assets	5,751	20.2%	4,134	17.5%	Retained Earnings	(51)	-0.2%	146	0.6%
Right-of-use Assets	4,862	17.1%	2,268	9.6%	Other Equity	21	0.1%	115	-0.5%
Long-term Accounts Receivables of Fintech BU	628	2.2%	632	2.7%	Non-controlling Interest	1,946	6.8%	1,435	6.1%
Other Non-current Assets	500	1.8%	366	1.6%	<b>TOTAL EQUITY</b>	<b>8,263</b>	<b>29.1%</b>	<b>7,467</b>	<b>31.6%</b>
<b>Total Non-current Assets</b>	<b>14,794</b>	<b>52.0%</b>	<b>10,050</b>	<b>42.5%</b>	<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>28,441</b>	<b>100.0%</b>	<b>23,633</b>	<b>100.0%</b>
<b>TOTAL ASSETS</b>	<b>28,441</b>	<b>100.0%</b>	<b>23,633</b>	<b>100.0%</b>					

# Thank You

