



PChome ONLINE

Ticker : 8044-TT

February 2023



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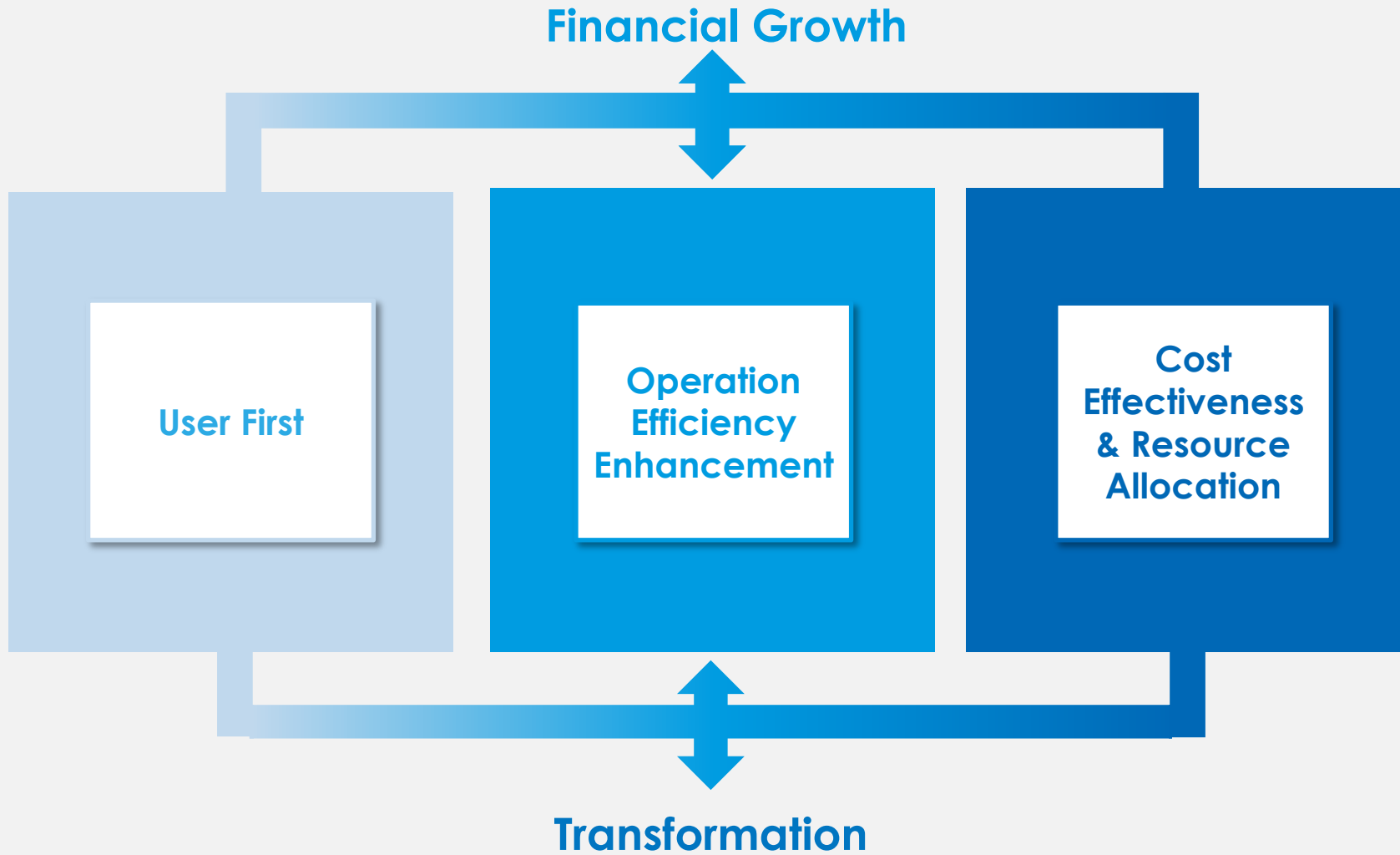
PChome Online does not undertake any obligation to update any forward-looking statement.

Actual results may differ materially from those contained in any forward-looking statements.

Agenda

- **Opening**
- **2022Q4 Executive Summary**
- **2022Q4 Financial Results**

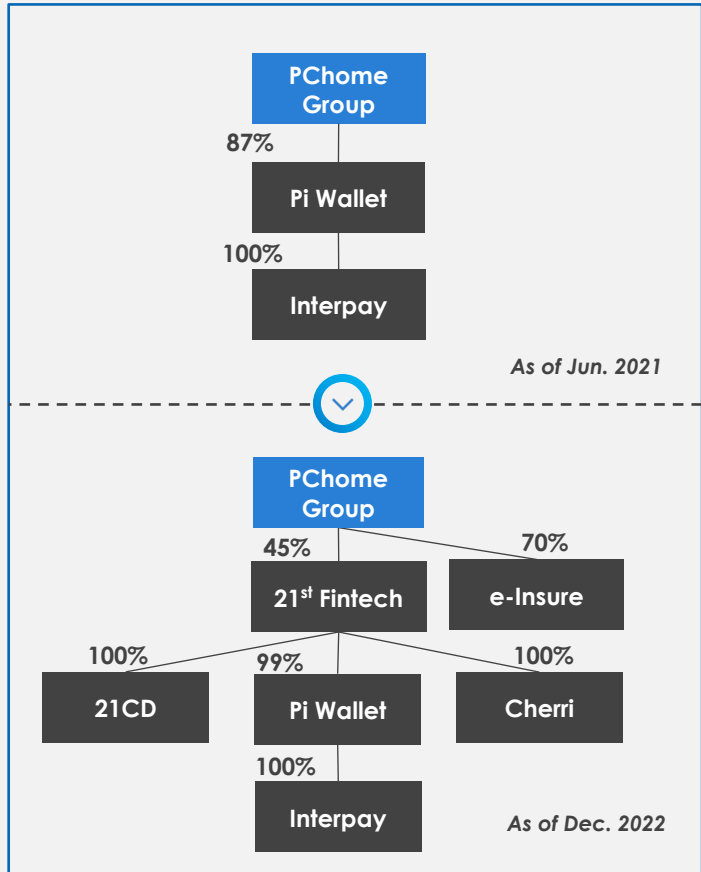
Back To Basics



有感改變，走入日常

- Increase Non-3C categories diversity and drive product competitiveness
- Optimize user experiences and APP performance
- Provide valuable supplier enabling service
- Streamline operation and improve organization efficiency
- Utilize data-centric marketing strategies to accelerate growth
- Centralize the subsidiaries' resources for better earnings contribution
- Commit to corporate sustainability/ESG

Fintech BU Development



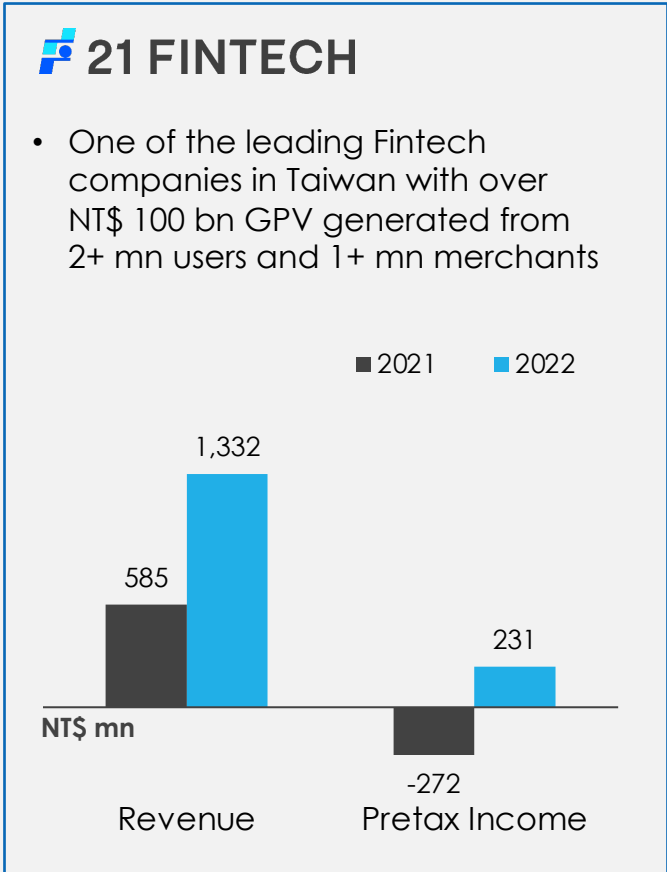
PayLater: 慢點付 X Pi 拍錢包

- The first integration of E-wallet and installment service in Taiwan
- Credit released within 1 minute with 3 steps
- Strong presence in more than 380K both online and offline channels

12-month iPhone Subscription plan:

PChome 24h購物 | 21 FINTECH | 易安網 e-Insure

- Leveraged group resources to introduce Taiwan's first and most flexible iPhone subscription program
- NT\$1500 per month to access to newest iPhone every year with insurance covered



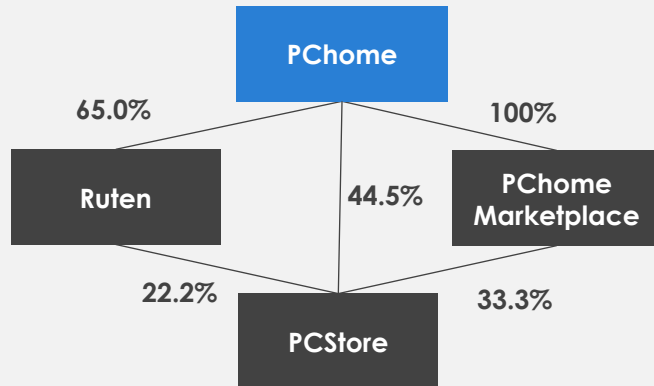
Marketplace BU Consolidation

Capital Restructure

Integration

PCStore's Capital Reduction (2022.12.25)

- **Capital reduction amount:** NT\$536,760,000
- **Cancellation of Shares:** 53,676,000 shares
- **Capital Reduction ratio:** 99.99%
- **Capital after reduction:** NT\$180
- **Book Value:** -NT\$751,514,031



Capital Injection into PCStore (2023 Q1)

- **Capital injection amount:** NT\$ 755,000,000
- **Issue of new shares:** 75,500,000 shares
- **Capital after cash injection:** NT\$755,000,180

| PCStore's Captable | Subscription shares | Cash Injection Amount | % |
|--------------------|---------------------|-----------------------|-------------|
| PChome | 58,723,900 | 587,239,000 | 77.8% |
| Ruten | 16,776,100 | 167,761,000 | 22.2% |
| Total | 75,500,000 | 755,000,000 | 100% |

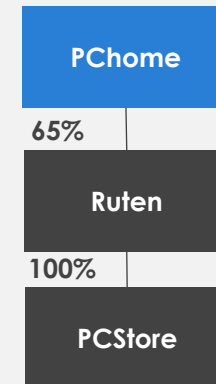
Ruten to acquire 100% PCStore



- C2C+B2B2C platform Integration



- Operation Efficiency Improvement



PChome to conduct a rights offering

- Issue of new shares: 8 million ~ 16 million shares
- Purpose: Bank loans repayment/working capital increase

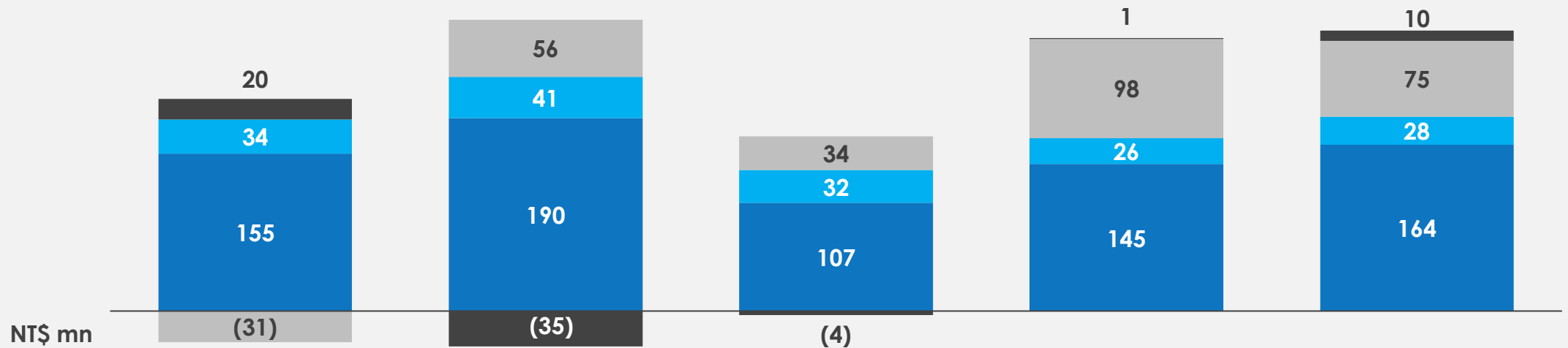
2022 Consolidated Financial Summary

| NT\$ million | 22Q4 | 21Q4 | Change | YoY % | 2022 | 2021 | Change | YoY % |
|------------------------------|---------|---------|----------|--------|---------|---------|----------|--------|
| Revenue | 13,197 | 13,947 | (749) | -5.4% | 46,100 | 48,579 | (2,478) | -5.1% |
| Gross profit | 1,409 | 1,495 | (86) | -5.8% | 5,440 | 5,555 | (115) | -2.1% |
| Operating expense | (1,397) | (1,555) | 158 | -10.2% | (5,500) | (5,314) | (187) | 3.5% |
| Operating profit | 11 | (61) | 72 | NM | (60) | 241 | (302) | NM |
| Non-operating income | 16 | 39 | (23) | -59.3% | 317 | 97 | 220 | 226.9% |
| Pretax income | 27 | (22) | 49 | NM | 257 | 338 | (81) | -24.0% |
| Tax | (17) | (174) | 157 | -90.0% | (213) | (276) | 63 | -22.8% |
| Net income | 10 | (196) | 205 | NM | 44 | 62 | (18) | -29.7% |
| - Attributed to shareholders | 8 | (178) | 186 | NM | (53) | 97 | (150) | NM |
| - Minority interest | 2 | (18) | 19 | NM | 96 | (35) | 131 | NM |
| EPS(NT\$) | 0.06 | (1.53) | 1.59 | NM | (0.42) | 0.84 | (1.26) | NM |
| Gross margin(%) | 10.7% | 10.7% | +0.0 ppt | - | 11.8% | 11.4% | +0.4 ppt | - |
| Operating margin(%) | 0.1% | -0.4% | +0.5 ppt | - | -0.1% | 0.5% | -0.6 ppt | - |
| EBITDA margin(%) | 2.0% | 1.0% | +1.0 ppt | - | 1.7% | 2.0% | -0.3 ppt | - |
| Net margin(%) | 0.1% | -1.4% | +1.5 ppt | - | 0.1% | 0.1% | +0.0 ppt | - |

Adjusted EBITDA Breakdown by Business Divisions

■ B2C ■ Marketplace ■ Fintech* ■ Other

+55.5% YoY



| | 4Q21 | 1Q22 | 2Q22 | 3Q22 | 4Q22 |
|---------------------------|------|------|------|------|------|
| Adjusted EBITDA | 178 | 252 | 169 | 269 | 277 |
| Adjusted EBITDA Margin(%) | 1.3% | 2.2% | 1.5% | 2.7% | 2.1% |

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

2022 Revenue/Profit Breakdown by Business Divisions

Revenue Breakdown



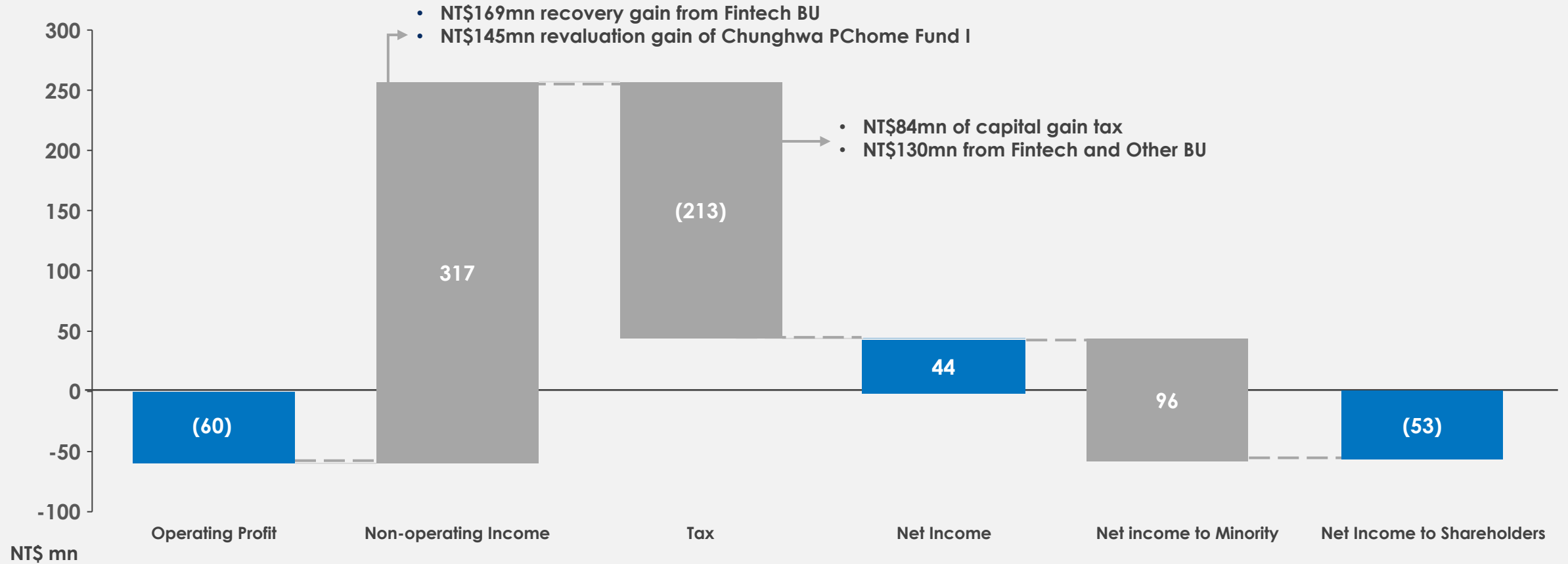
Operating Profit Breakdown



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

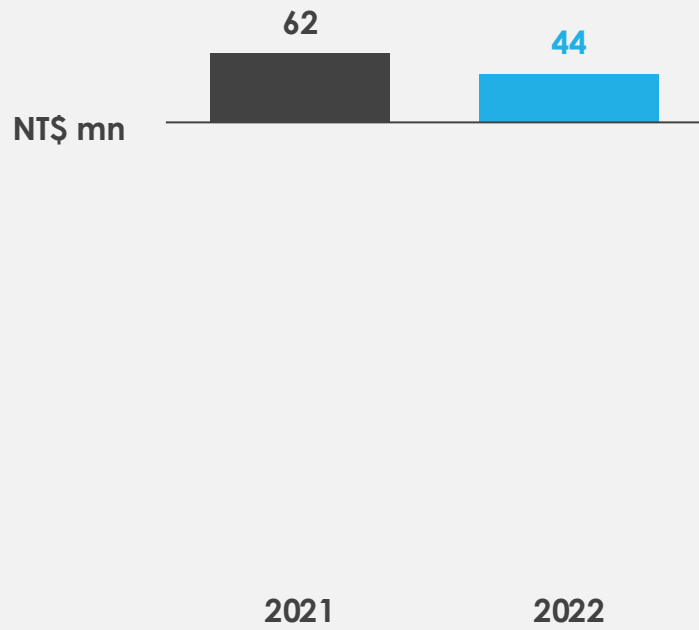
2022 Consolidated Financial Summary

Non-operating Income / Net Income

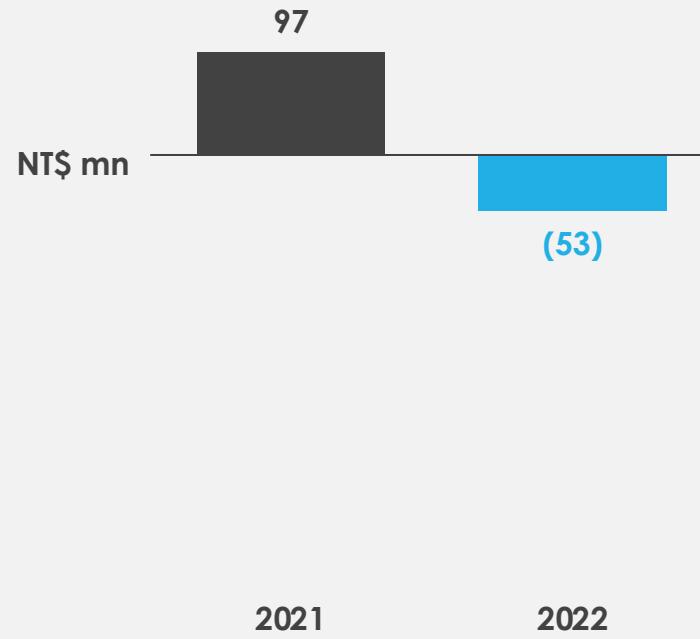


2022 Consolidated Financial Summary

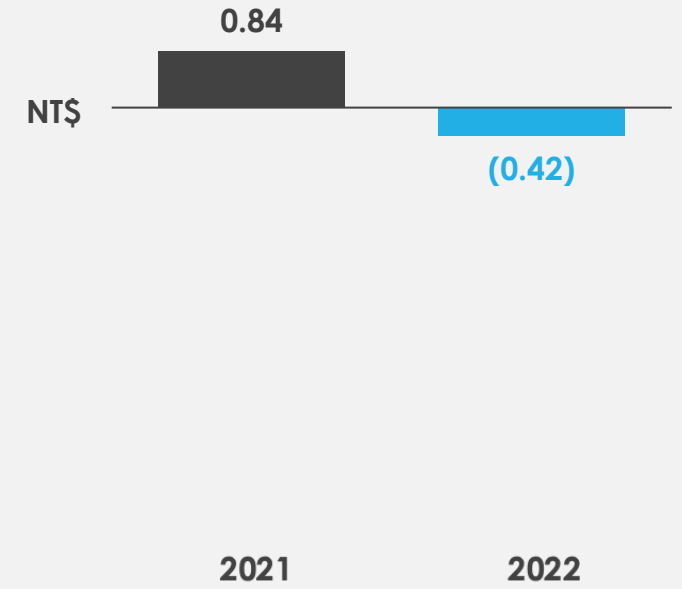
Net Income



Net Income Attributable to Shareholders

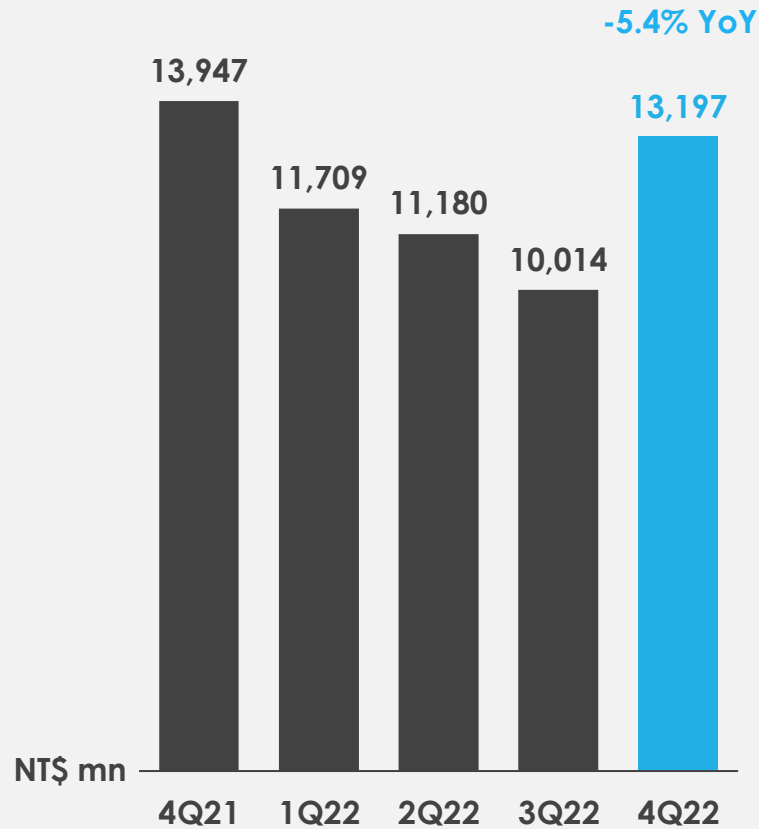


EPS

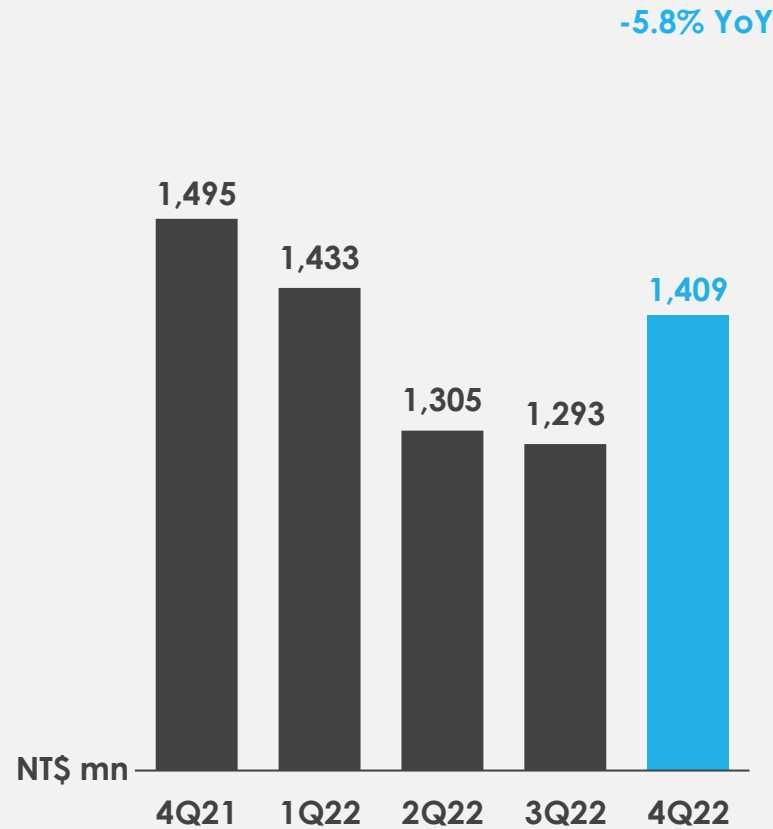


4Q 2022 Consolidated Financial Summary

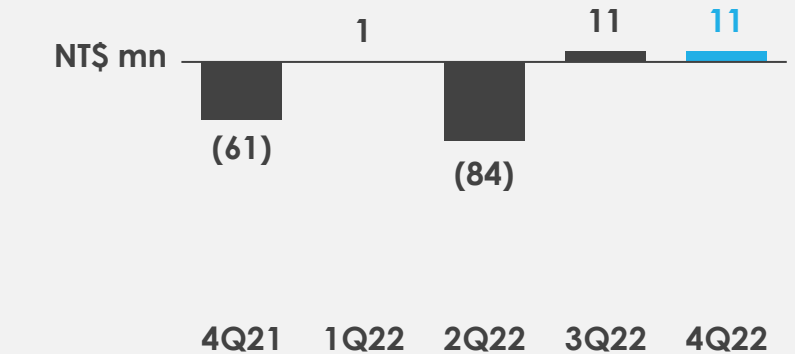
Net Revenue



Gross Profit



Operating Profit

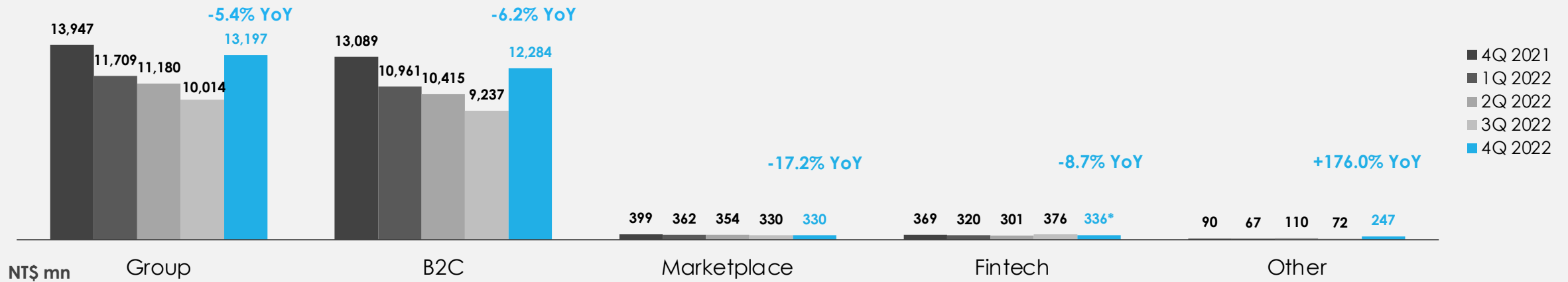


| | 4Q21 | 1Q22 | 2Q22 | 3Q22 | 4Q22 |
|--------------|-------|-------|-------|-------|-------|
| Gross Margin | 10.7% | 12.2% | 11.7% | 12.9% | 10.7% |

| | 4Q21 | 1Q22 | 2Q22 | 3Q22 | 4Q22 |
|------------------|-------|------|-------|------|------|
| Operating Margin | -0.4% | 0.0% | -0.7% | 0.1% | 0.1% |

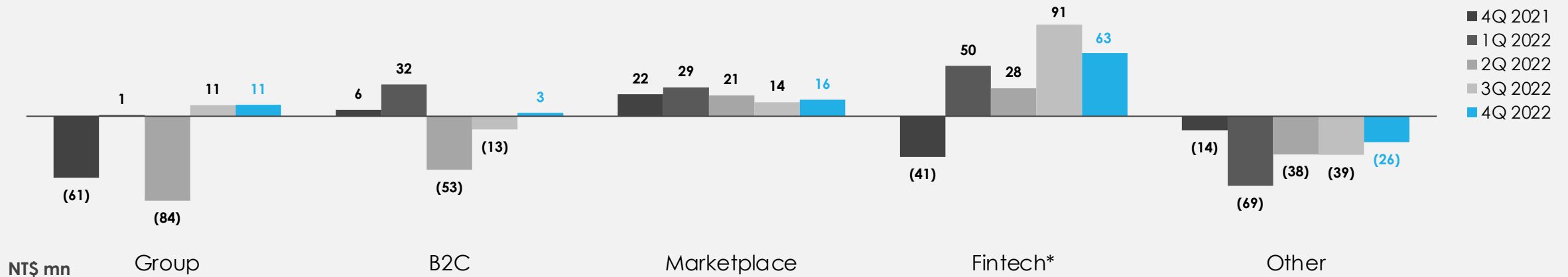
4Q 2022 Revenue/Profit Breakdown by Business Divisions

Revenue Breakdown



Note* : a one-time revenue adjustment of NT\$35mn for 2022 full year impacted on 4Q 2022.

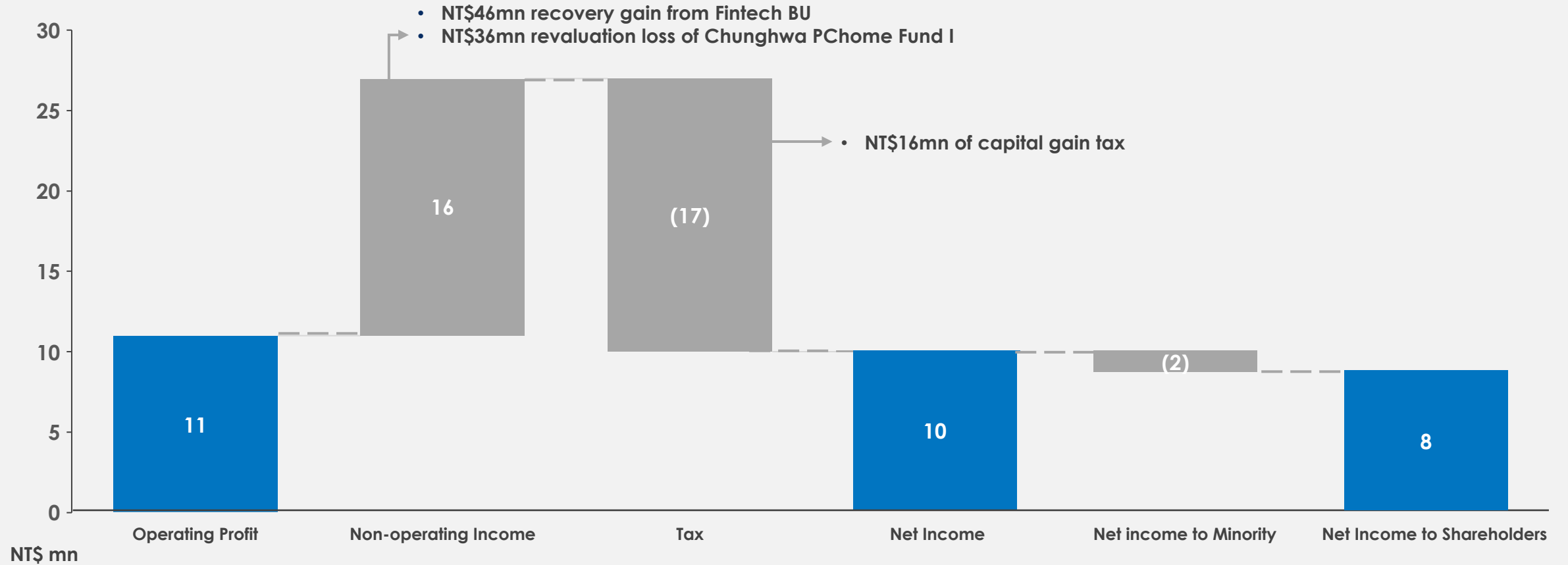
Operating Profit Breakdown



Note* : For Fintech, pretax profit is shown to better reflect the profit contribution of the credit business since 4Q 2021. In 3Q 2022, Fintech pretax income also recorded a one-off gain of NT\$48mn due to account adjustment on expected credit loss.

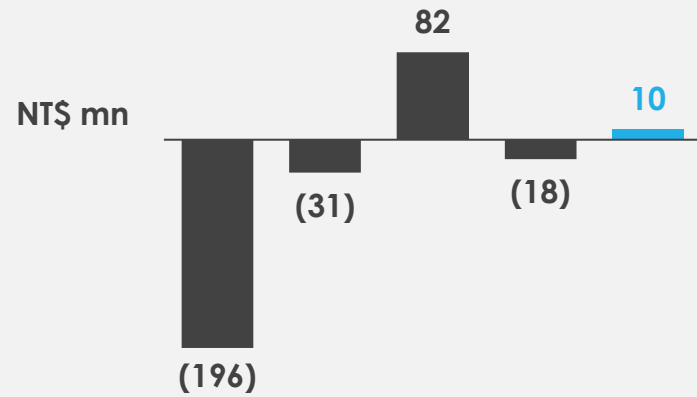
4Q 2022 Financial Summary

Non-operating Income / Net Income

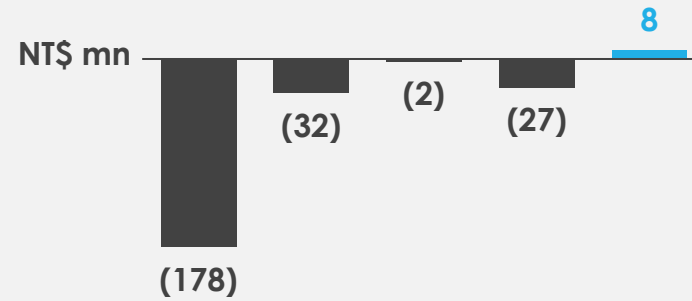


4Q 2022 Consolidated Financial Summary

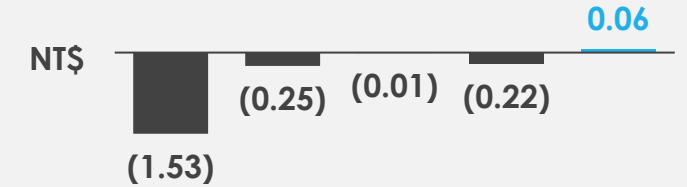
Net Income



Net Income Attributable to Shareholders



EPS

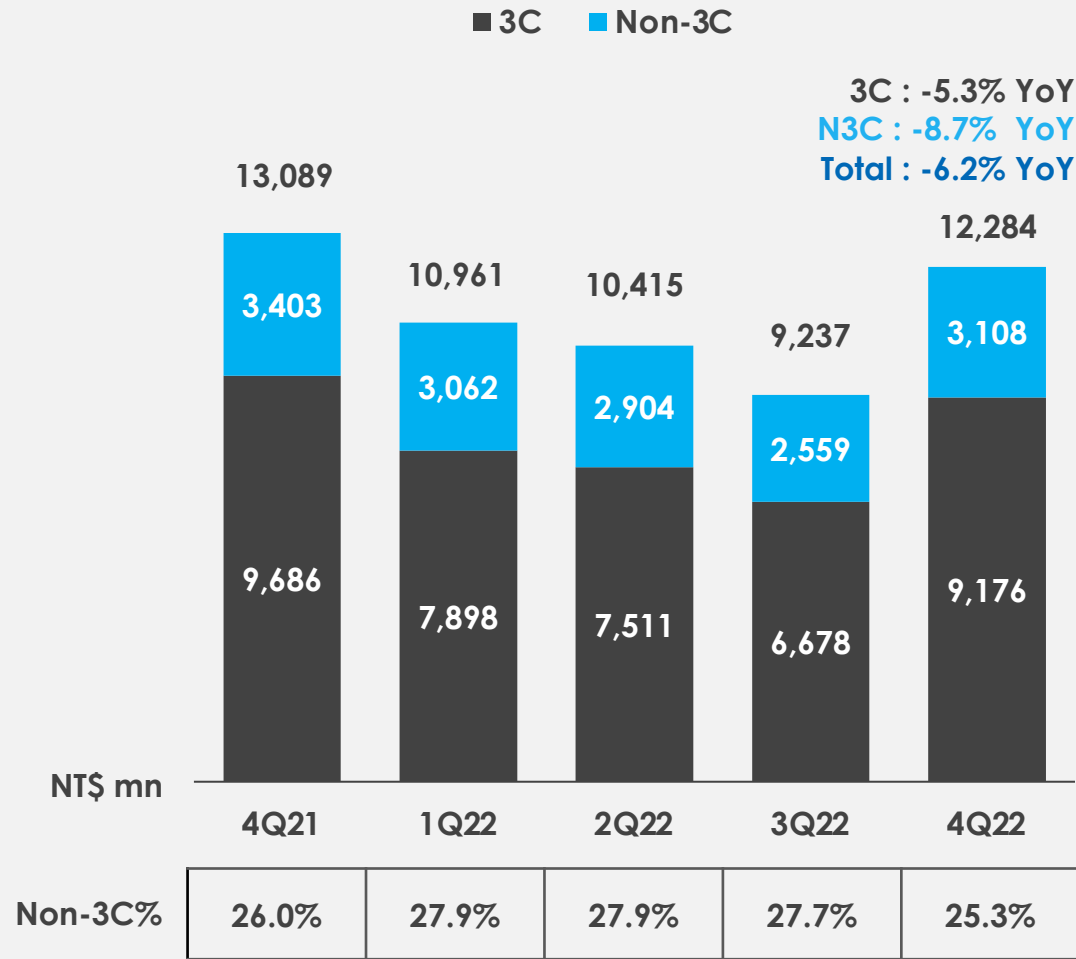


Net Margin

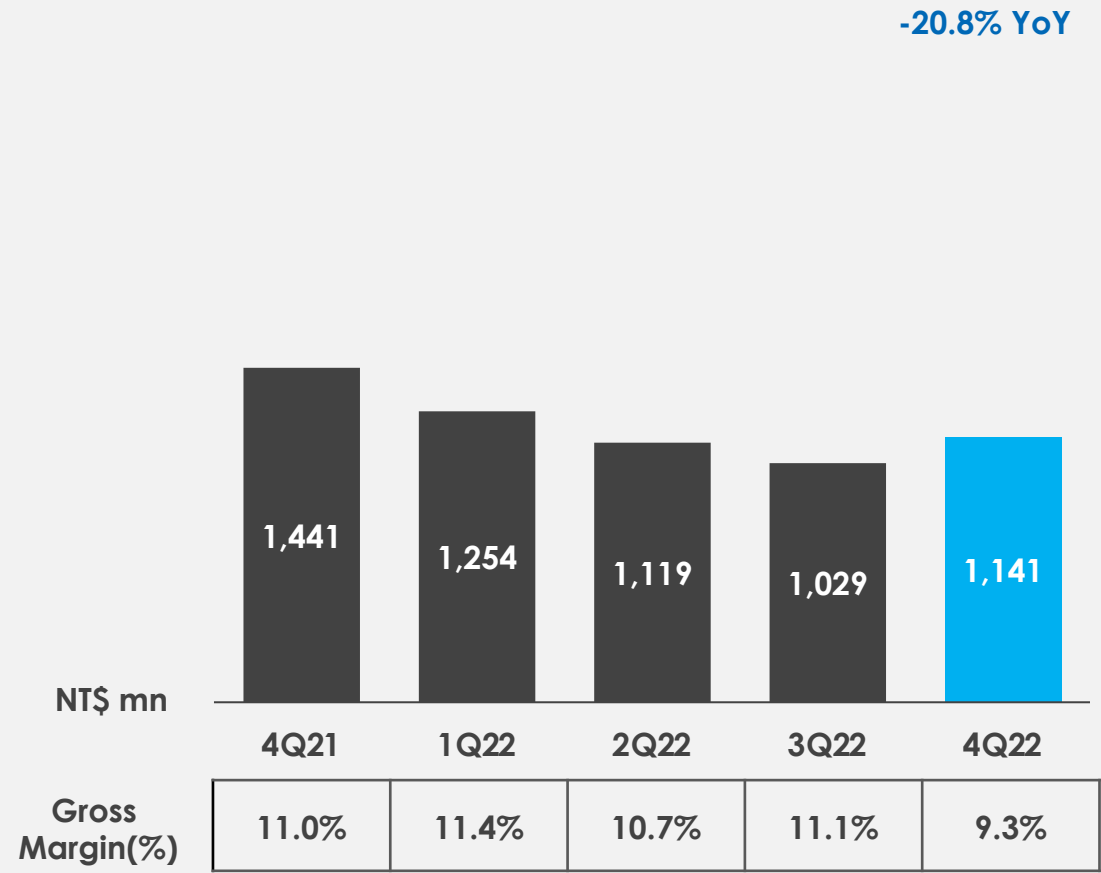
| | | | | |
|-------|-------|------|-------|------|
| -1.4% | -0.3% | 0.7% | -0.2% | 0.1% |
| 4Q21 | 1Q22 | 2Q22 | 3Q22 | 4Q22 |

4Q 2022 B2C Financial Summary

B2C Sales Breakdown



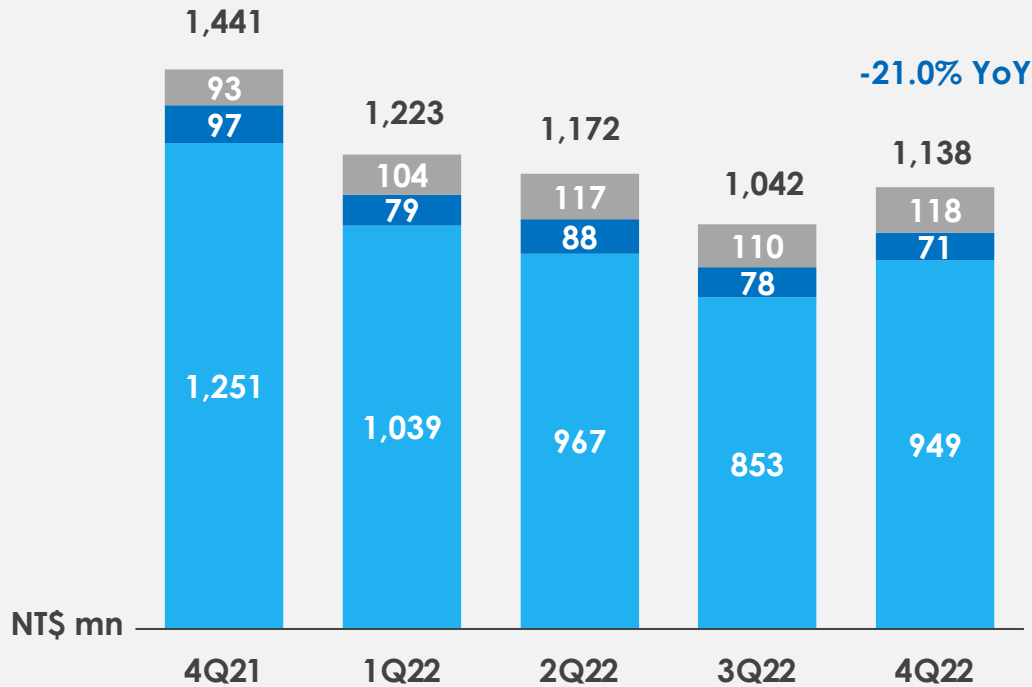
B2C Gross Profit



4Q 2022 B2C Financial Summary

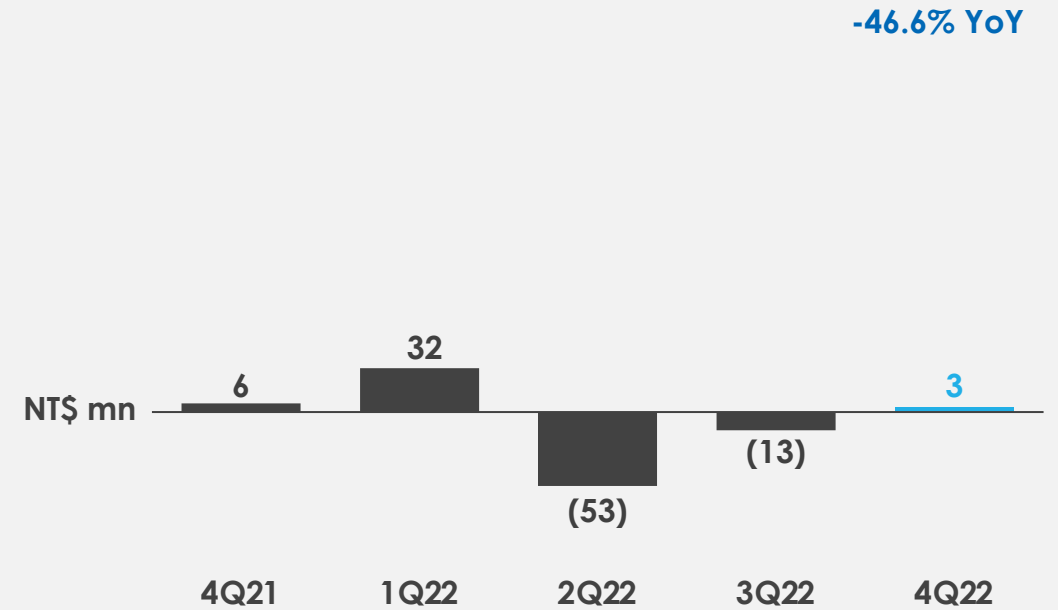
B2C Operating Expense Breakdown

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



| | | | | | |
|--------------------|-------|-------|-------|-------|------|
| Selling expense(%) | 9.6% | 9.5% | 9.3% | 9.2% | 7.7% |
| G&A expense(%) | 0.7% | 0.7% | 0.8% | 0.8% | 0.6% |
| R&D expense(%) | 0.7% | 1.0% | 1.1% | 1.2% | 1.0% |
| OPEX(%) | 11.0% | 11.1% | 11.2% | 11.3% | 9.3% |

B2C Operating Profit



| | | | | | |
|---------------------|------|------|-------|-------|------|
| Operating Margin(%) | 0.0% | 0.3% | -0.5% | -0.1% | 0.0% |
|---------------------|------|------|-------|-------|------|

4Q 2022 B2C Key Metrics

Service



Key Metrics
As of 4Q22

-6.2% YoY
Active Users

+3.0% YoY
Growth Rate on Average Ticket Size

-9.5% YoY
App Active Users

+20.4% YoY
Accumulated APP Downloads

30% : 70%
Traffic: Desktop v.s. Mobile

49% : 51%
Sales: Desktop v.s. Mobile

Logistics: Fulfillment Capacities

2022 Overview

- **6** Self-operated Warehouse
- **5** Outsource Warehouse
- **369k(m²)** in Total Spaces



網家速配 PChome Express

- **11** Delivery Stations
- **31%** of B2C Orders (As of 2022)



A7 Distribution Center

- **~NT\$2.2bn** in Total Cost
- **148k(m²)** in Total Spaces
- **23Q1** in Operation



Q&A



Financial Statement



4Q 2022 Consolidated Income Statement

| NT\$ million | 4Q 2022 | | 4Q 2021 | | YoY | 2022 | | 2021 | | YoY |
|------------------------------|----------------|---------------|----------------|---------------|---------------|----------------|---------------|----------------|---------------|---------------|
| | Amount | % | Amount | % | | Amount | % | Amount | % | |
| Revenue | 13,197 | 100.0% | 13,947 | 100.0% | -5.4% | 46,100 | 100.0% | 48,579 | 100.0% | -5.1% |
| - B2C | 12,284 | | 13,089 | | | 42,896 | | 46,118 | | |
| - Marketplace | 330 | | 399 | | | 1,376 | | 1,652 | | |
| - Fintech | 336 | | 369 | | | 1,332 | | 585 | | |
| - Other | 247 | | 90 | | | 496 | | 223 | | |
| Gross profit | 1,409 | 10.7% | 1,495 | 10.7% | -5.8% | 5,440 | 11.8% | 5,555 | 11.4% | -2.2% |
| Operating expense | (1,388) | -10.6% | (1,556) | -11.2% | -10.2% | (5,500) | -11.9% | (5,314) | -10.9% | 3.3% |
| Operating profit | 11 | 0.1% | (61) | -0.4% | NM | (60) | -0.1% | 241 | 0.5% | NM |
| - B2C | 3 | | 6 | | | (31) | | 595 | | |
| - Marketplace | 16 | | 22 | | | 80 | | 98 | | |
| - Fintech | 17 | | (75) | | | 62 | | (306) | | |
| - Other | (26) | | (14) | | | (170) | | (146) | | |
| EBITDA | 231 | 1.7% | 144 | 1.0% | 60.9% | 798 | 1.7% | 994 | 2.0% | -19.7% |
| - B2C | 164 | | 155 | | | 606 | | 1,195 | | |
| - Marketplace | 28 | | 34 | | | 126 | | 147 | | |
| - Fintech | 29 | | (65) | | | 94 | | (282) | | |
| - Other | 10 | | 20 | | | (28) | | (65) | | |
| Non-operating income | 16 | 0.1% | 39 | 0.3% | -59.1% | 317 | 0.7% | 97 | 0.2% | 227.0% |
| Pretax income | 27 | 0.2% | (22) | -0.2% | NM | 257 | 0.6% | 338 | 0.7% | -24.0% |
| Tax* | (17) | -0.1% | (174) | -1.2% | -90.0% | (213) | -0.5% | (276) | -0.6% | -22.8% |
| Net income | 10 | 0.1% | (196) | -1.4% | NM | 44 | 0.1% | 62 | 0.1% | -29.7% |
| - Attributed to shareholders | 8 | | (178) | | | (53) | | 97 | | |
| - Minority interest | 2 | | (18) | | | 96 | | (35) | | |
| EPS(NT\$) | 0.06 | | (1.53) | | | (0.42) | | 0.84 | | |

4Q 2022 Standalone Income Statement

| NT\$ million | 4Q 2022 | | 4Q 2021 | | YoY | 2022 | | 2021 | | YoY |
|-----------------------------|----------------|---------------|----------------|---------------|---------------|----------------|---------------|----------------|---------------|---------------|
| | Amount | % | Amount | % | | Amount | % | Amount | % | |
| Revenue | 12,284 | 100.0% | 13,089 | 100.0% | -6.2% | 42,896 | 100.0% | 46,118 | 100.0% | -7.0% |
| Gross profit | 1,141 | 9.3% | 1,441 | 11.0% | -20.8% | 4,544 | 10.6% | 5,527 | 12.0% | -17.8% |
| Operating expense | (1,138) | -9.3% | (1,441) | -11.0% | -21.0% | (4,575) | -10.7% | (4,931) | -10.7% | -7.2% |
| Marketing expense | (949) | -7.7% | (1,251) | -9.6% | -24.1% | (3,809) | -8.9% | (4,234) | -9.2% | -10.0% |
| G&A expense | (71) | -0.6% | (97) | -0.7% | -26.5% | (316) | -0.7% | (347) | -0.8% | -9.0% |
| R&D expense | (118) | -1.0% | (93) | -0.7% | 26.1% | (450) | -1.0% | (350) | -0.8% | 28.5% |
| Operating profit | 3 | 0.0% | 6 | 0.0% | -44.2% | (31) | -0.1% | 595 | 1.3% | NM |
| Non-operating income | 21 | 0.2% | (44) | -0.3% | NM | 63 | 0.1% | (277) | -0.6% | NM |
| Pretax income | 25 | 0.2% | (38) | -0.3% | NM | 32 | 0.1% | 318 | 0.7% | -90.0% |
| Tax* | (17) | -0.1% | (140) | -1.1% | -88.2% | (84) | -0.2% | (221) | -0.5% | -61.8% |
| Net income | 8 | 0.1% | (178) | -1.4% | NM | (53) | -0.1% | 97 | 0.2% | NM |

Note*: The tax expense of NT\$84mn in 2022 was primarily attributed to a one-time capital gain from 21st Fintech & Pi wallet transaction in 2022 Q1.

4Q 2022 Consolidated Balance Sheet

| NT\$ million | 4Q 2022 | | 4Q 2021 | | NT\$ million | 4Q 2022 | | 4Q 2021 | |
|---------------------------------|---------------|---------------|---------------|---------------|---|---------------|---------------|---------------|---------------|
| | Amount | % | Amount | % | | Amount | % | Amount | % |
| ASSETS | | | | | LIABILITIES | | | | |
| Current Assets : | | | | | Current Liabilities : | | | | |
| Cash & Cash Equivalents | 6,850 | 25.8% | 8,147 | 33.3% | Short Term Borrowings | 3,363 | 12.6% | 2,264 | 9.3% |
| Accounts Receivables | 3,324 | 12.5% | 2,705 | 11.1% | Account Payable & Notes Payable | 3,926 | 14.8% | 3,923 | 16.1% |
| Other Receivables | 1,282 | 4.8% | 1,330 | 5.4% | Other Payables | 1,799 | 6.8% | 1,723 | 7.1% |
| Inventories | 1,983 | 7.5% | 1,765 | 7.2% | Other Current Liabilities | 5,090 | 19.1% | 4,042 | 16.5% |
| Other Current Assets | 1,667 | 6.3% | 1,361 | 5.6% | Total Current Liabilities | 14,177 | 53.3% | 11,951 | 48.9% |
| Total Current Assets | 15,106 | 56.8% | 15,308 | 62.7% | Non-current Liabilities : | 3,975 | 14.9% | 4,825 | 19.7% |
| Non-current Assets : | | | | | TOTAL LIABILITIES | 18,152 | 68.3% | 16,776 | 68.7% |
| Long Term Investments | 1,476 | 5.6% | 999 | 4.1% | STOCKHOLDERS' EQUITY | | | | |
| Property, Plant, and Equipment | 1,133 | 4.3% | 957 | 3.9% | Capital Stock : | | | | |
| Intangible Assets | 5,808 | 21.8% | 4,127 | 16.9% | Common Stock | 1,282 | 4.8% | 1,274 | 5.2% |
| Other Non-current Assets | 3,069 | 11.5% | 3,039 | 12.4% | Capital Surplus | 5,011 | 18.8% | 4,693 | 19.2% |
| Total Non-current Assets | 11,486 | 43.2% | 9,123 | 37.3% | Retained Earnings | 149 | 0.6% | 244 | 1.0% |
| | | | | | Other Equity | 1,998 | 7.5% | 1,444 | 5.9% |
| | | | | | Non-controlling Interest | 2,062 | 7.8% | 1,328 | 5.4% |
| | | | | | TOTAL EQUITY | 8,440 | 31.7% | 7,654 | 31.3% |
| TOTAL ASSETS | 26,592 | 100.0% | 24,431 | 100.0% | TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | 26,592 | 100.0% | 24,431 | 100.0% |

Thank You

