

President Chain Store Corp.

2912 TT

2020 Highlights and Results

2020 Performance Overview

Leadership Advantage

- Taiwan 7-ELEVEN exceeded 6,000 stores with market share > 50% and stable franchise ratio of 90%. Introduced lifestyle and co-brand stores to meet diversified needs
- Strong foundation and adaptability: Continued growth in per-store daily (PSD) sales; revenue growth over NT\$10B
- Ranked No.1 (Industry Leader) among 63 international food and staples retailers by Dow Jones Sustainability Index

O2O Integration

O2O Service Platform:

- Improved OpenPoint APP provides easy access to a virtual storefront; sales from pre-orders through APP over NT\$3B since launch
- OpenPoint membership extended to other PCSC businesses; now over 12 million members
- Integration of delivery platform with PCSC businesses to create synergy and extend service into homes

Expansion across Asia

- Continued expansion of retail presence with 10,000+ stores in Asia
- Taiwan: Retail, drugstore, F&B, logistics support, e-commerce, delivery etc.
 - Overseas: Philippines 7-ELEVEN , retail business in China

Financial Highlights

◆ Historical revenue and profit

Unit: NTD billion

	2016	2017	2018	2019	2020	YOY
Revenue (Company Only)	140.1	144.5	154.1	158.0	168.1	6.4%
Revenue (Consolidated)	215.4	221.1	244.9	256.1	258.5	1.0%
Net Profit	9.8	31.0	10.2	10.5	10.2	-2.9%
One-off gain from Starbucks deal	-	20.4	-	-	-	-
EPS (NT\$)	9.46	29.83	9.82	10.14	9.85	-2.9%

Note 1 : The one-off gain from Starbucks deal includes disposal gain of Shanghai Starbucks, re-measurement gain of Taiwan Starbucks and relative expenses.

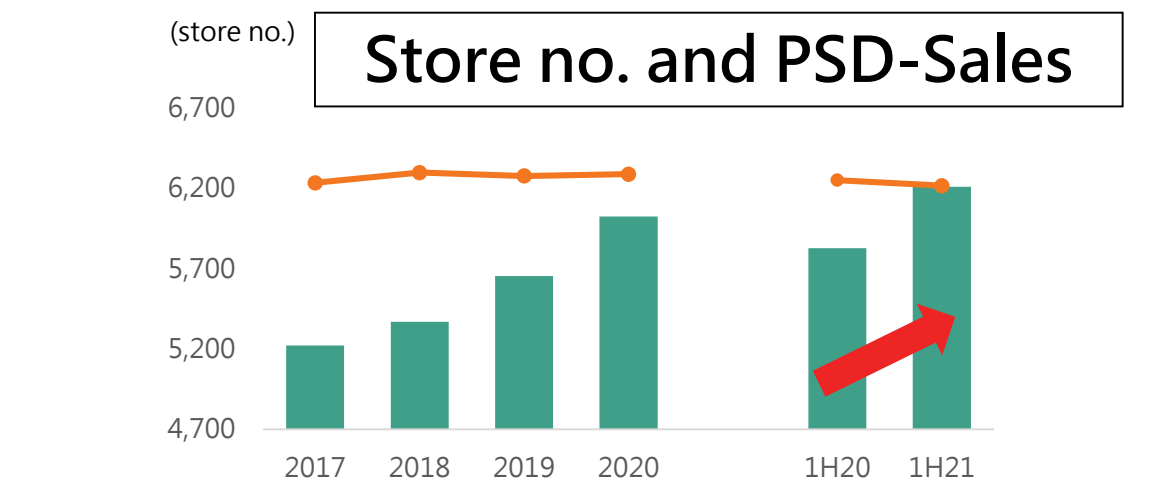
Note 2 : The operating profits of Taiwan 7-ELEVEN grew year on year in 2020. Given that the one-off tax refund from subsidiaries was recognized in 2019, and overseas subsidiaries were hit hard by lockdown measures due to the impact of COVID-19, the net profit attributable to the parent company declined in 2020.

2021 1H Financial Results

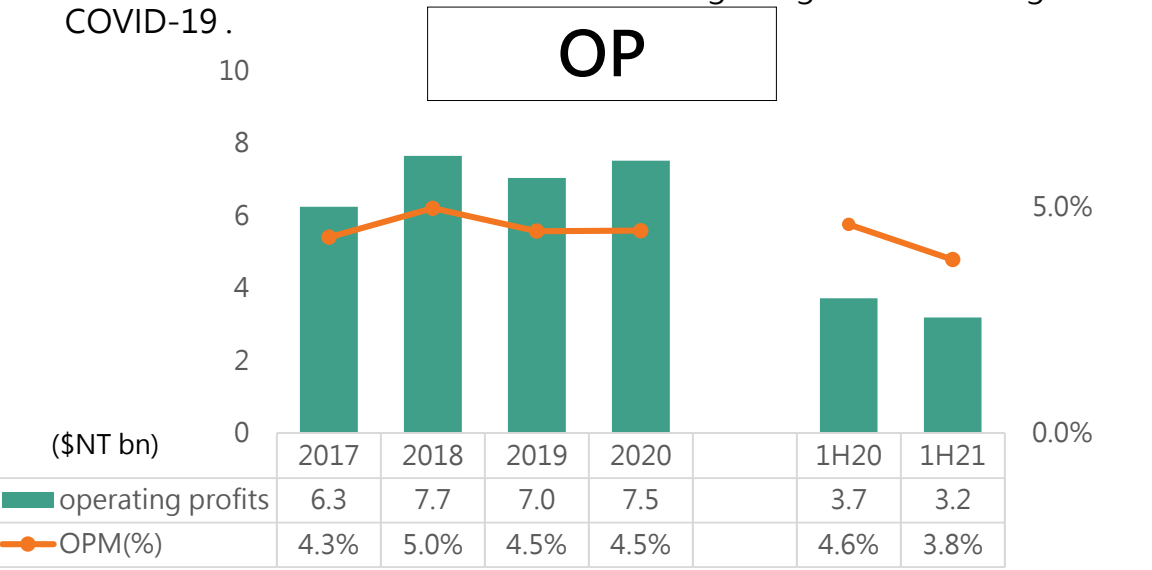
Unit: NTD billion

	2Q20	2Q21	YOY	YTD 1H20	YTD 1H21	YOY
Revenue (Company Only)	41.42	41.55	0.31%	80.68	83.34	3.29%
Revenue (Consolidated)	61.49	63.59	3.42%	124.54	128.65	3.30%
Net Profit (Consolidated)	2.71	1.95	-28.02%	5.59	4.92	-12.01%
Net Profit attributable to the parent company	2.54	1.77	-30.30%	5.09	4.48	-12.05%
EPS (NT\$)	2.44	1.70	-0.74	4.90	4.31	-0.59

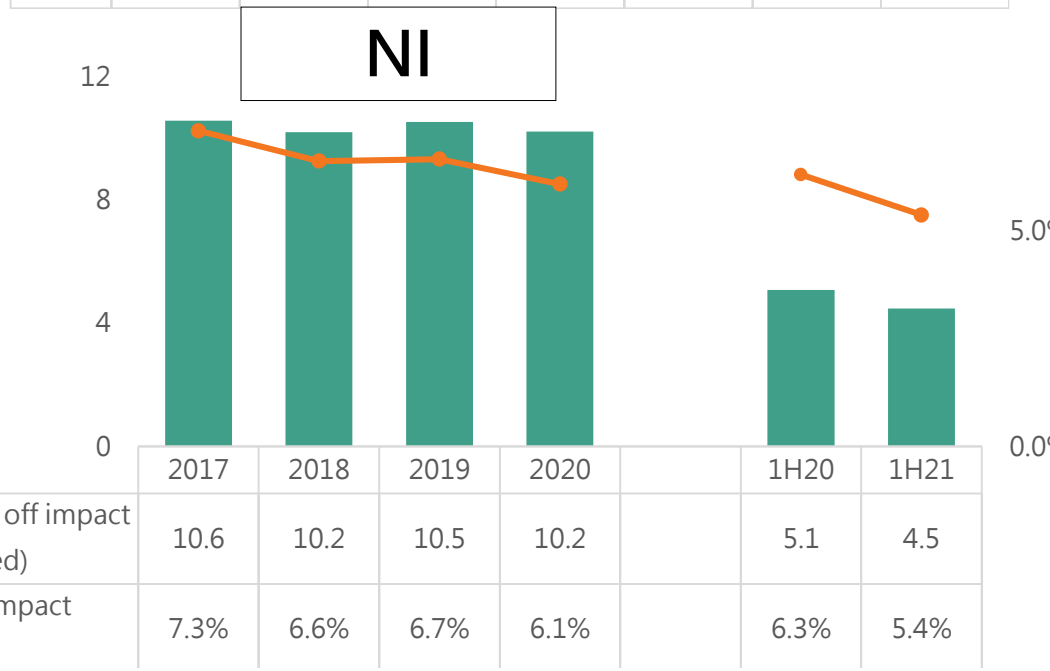
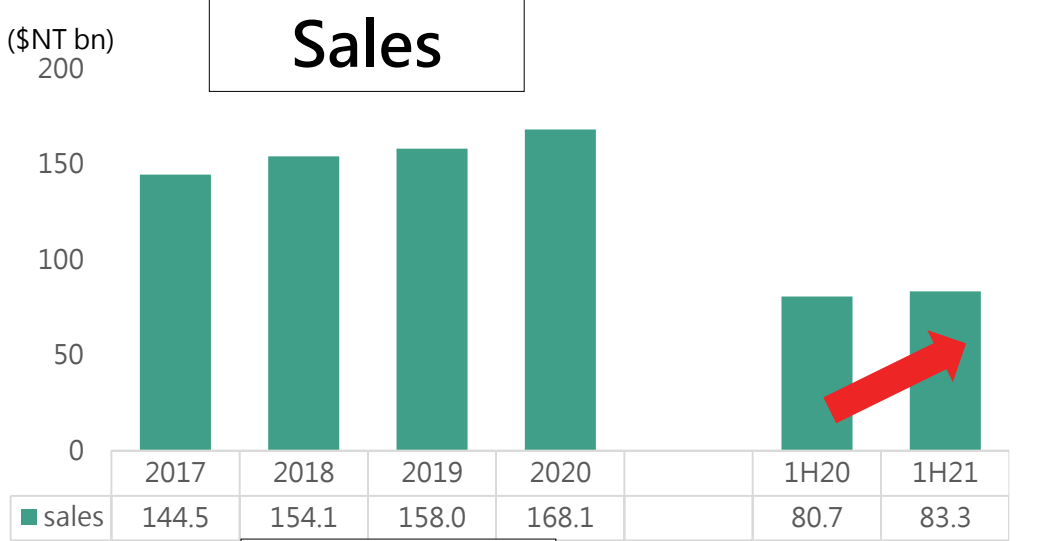
Sales and Profitability (Company)



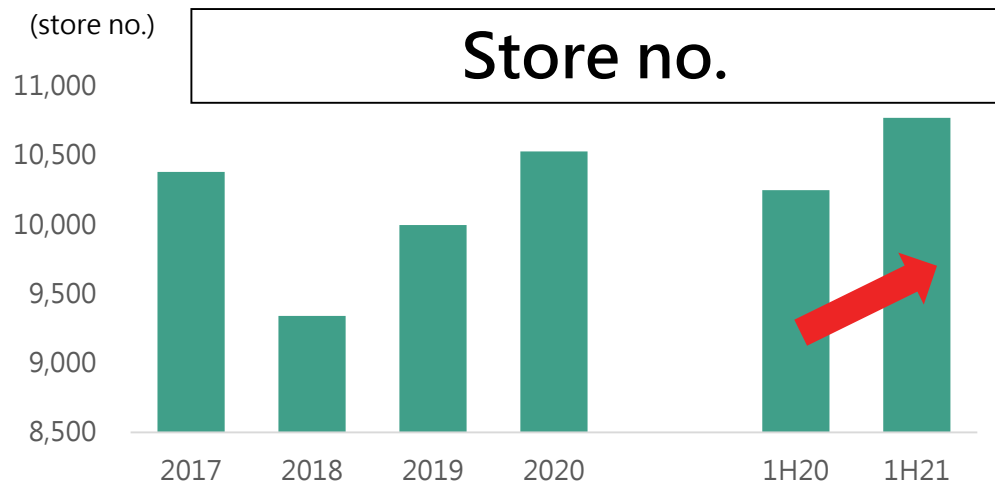
Note: 1H21 PSD-Sales decreased in low single-digit due to resurgence of COVID-19 .



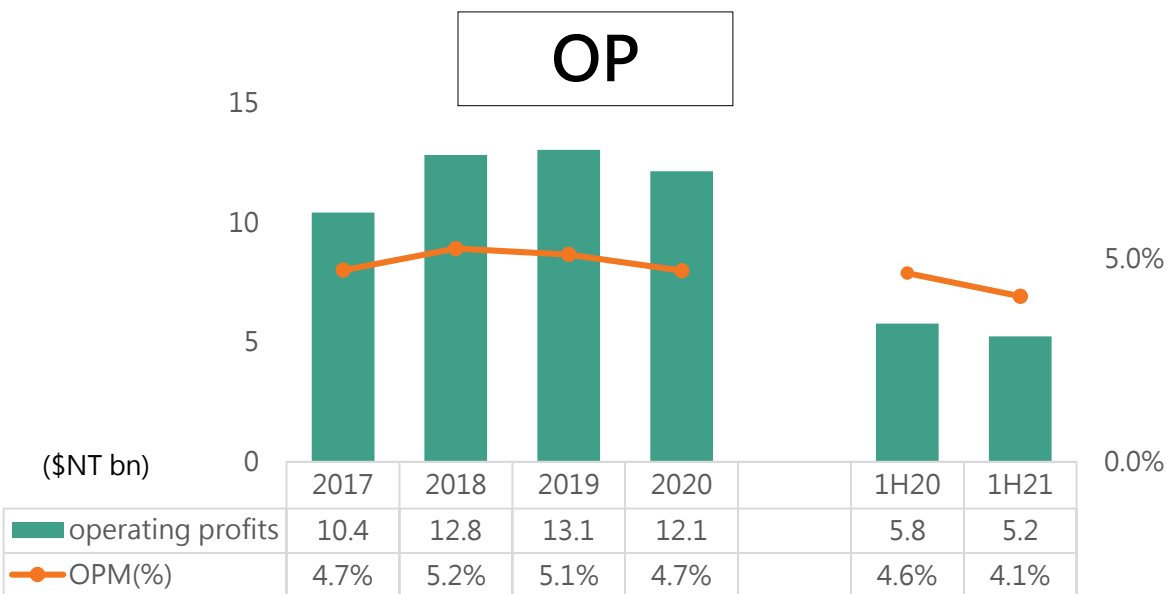
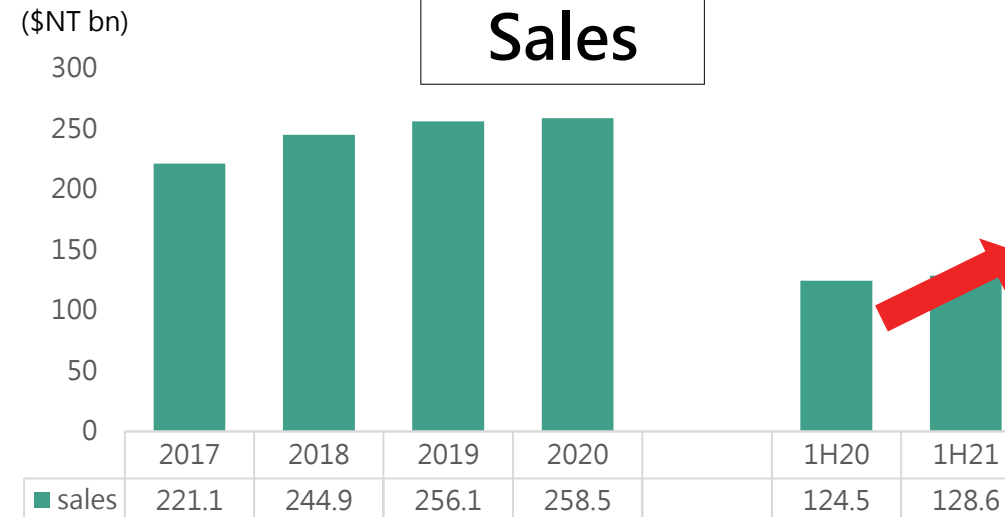
Note: OPM in 1H21 decreased because of the high sales growth rate in low margin cigarettes and decrease in high margin city café due to resurgence of COVID-19 .



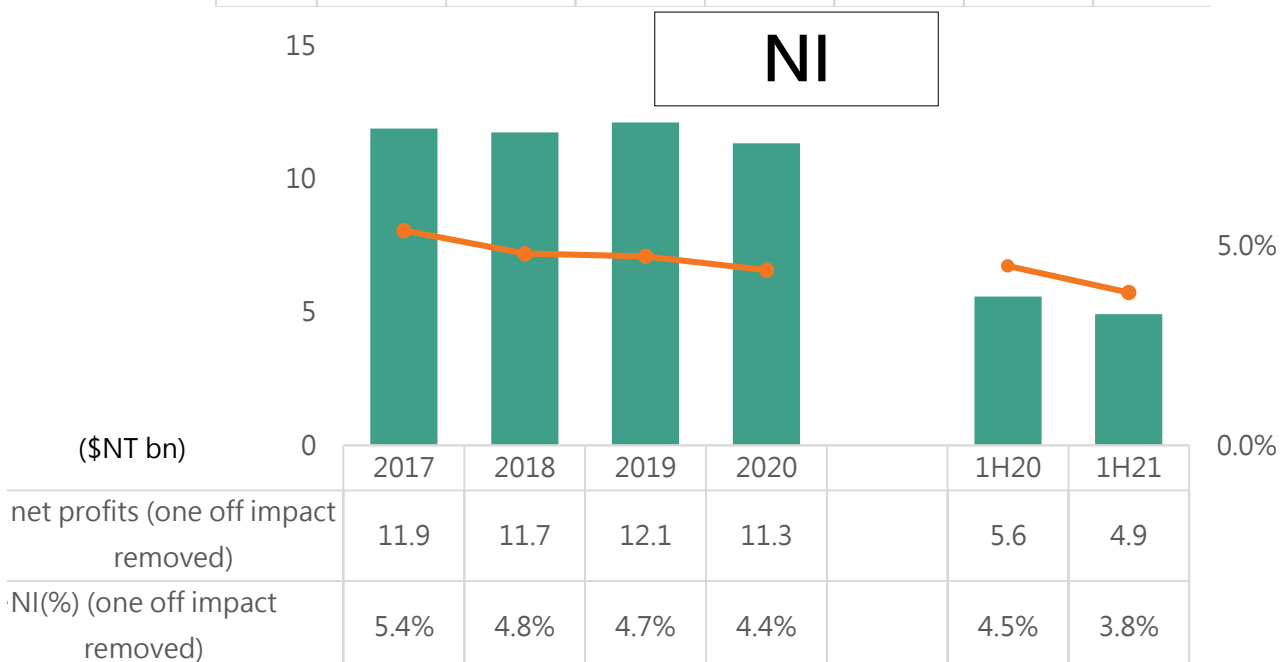
Sales and Profitability (Consolidated)



Note: Outlets included Shanghai Starbucks before 2017



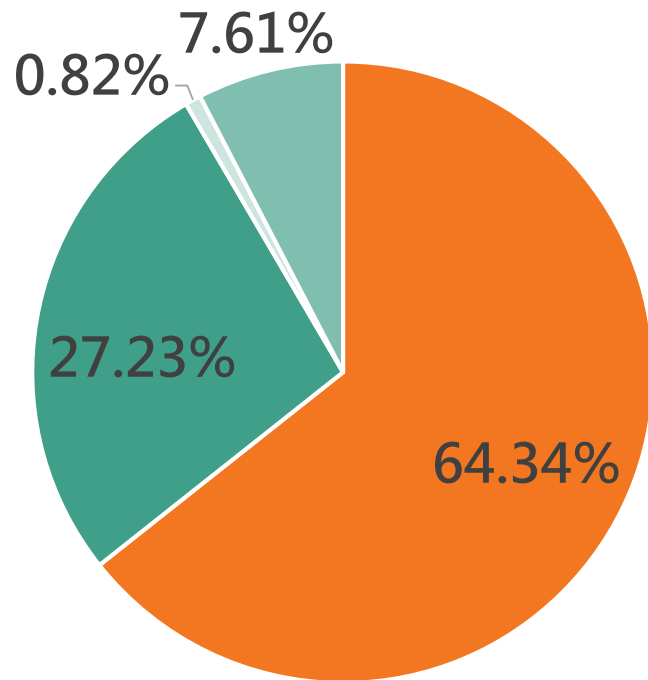
Note: OPM declined mainly because Philippines 7-11 was hit hard by lockdown measures and Taiwan business had impact of resurgence of COVID-19.



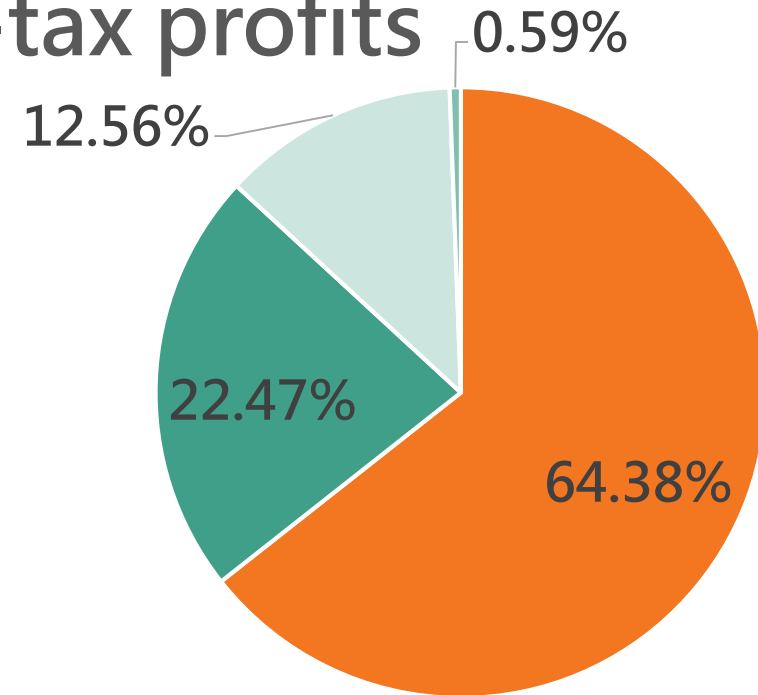
Note: Figures in 2017 excluded Shanghai Starbucks disposal gain.

Segment Information

sales



pre-tax profits



■ Taiwan 7-11 ■ Retail ■ Logistics ■ Others, Adjustment and elimination

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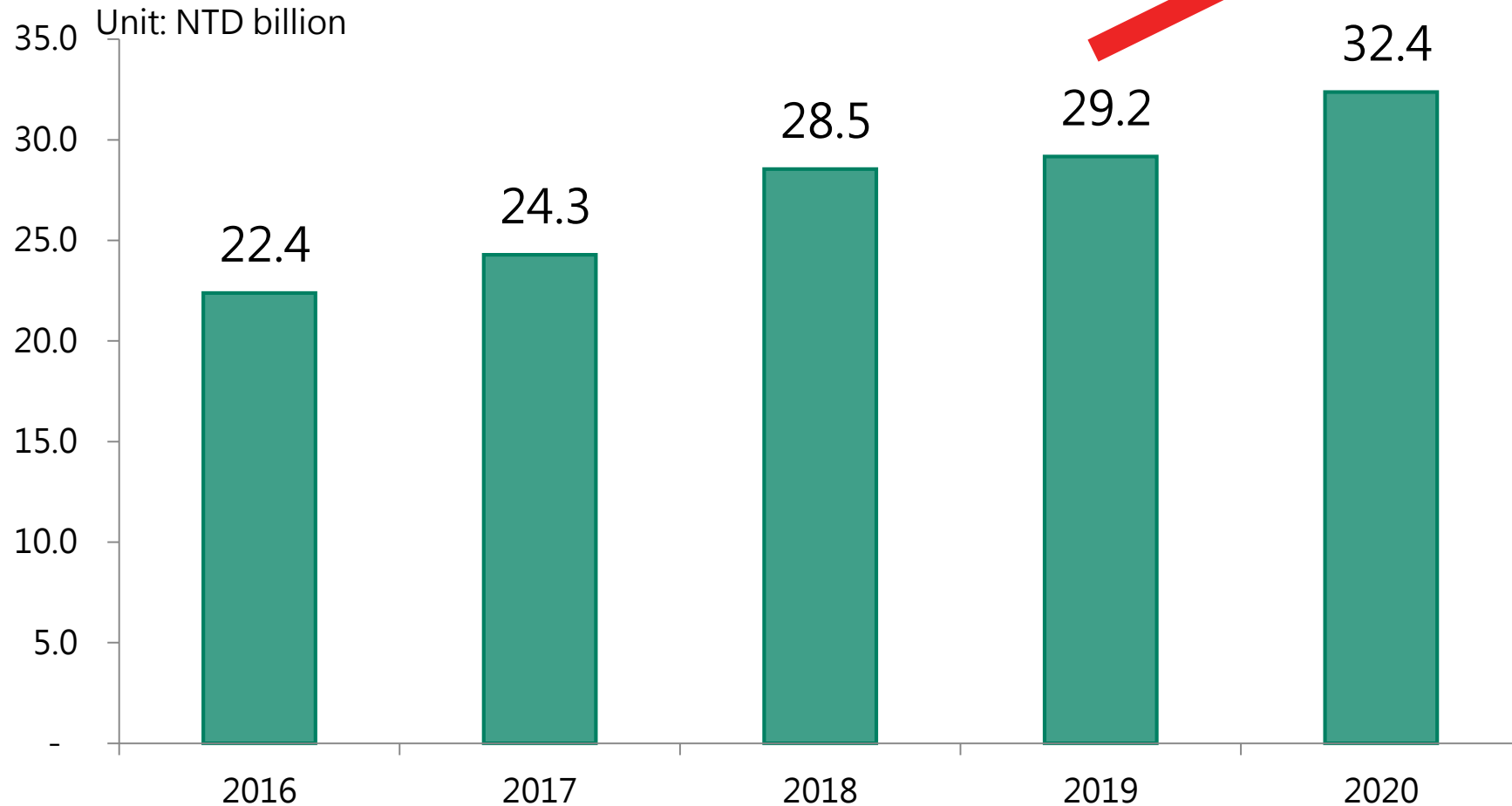
Retail business: Philippines 7-11, Cosmed, Takkyubian(Transnet), Books.com, Mech-President etc.

Logistics: Retail support, Cold Chain, Wisdom distribution etc.

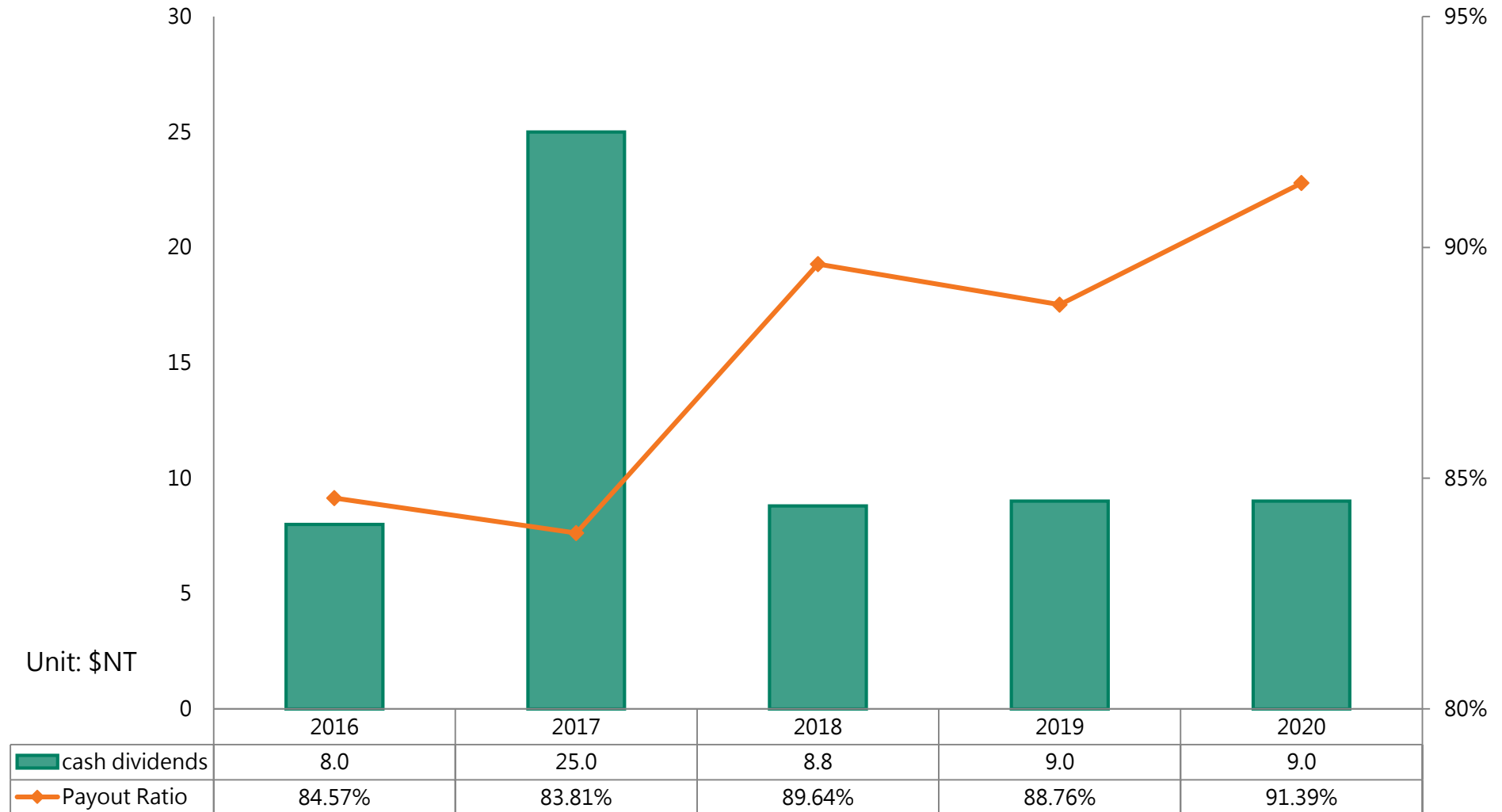
Others: China business, F&B business (e.g. Starbucks) and Support business

Steady Cash Flow

Net Cash(Consolidated)



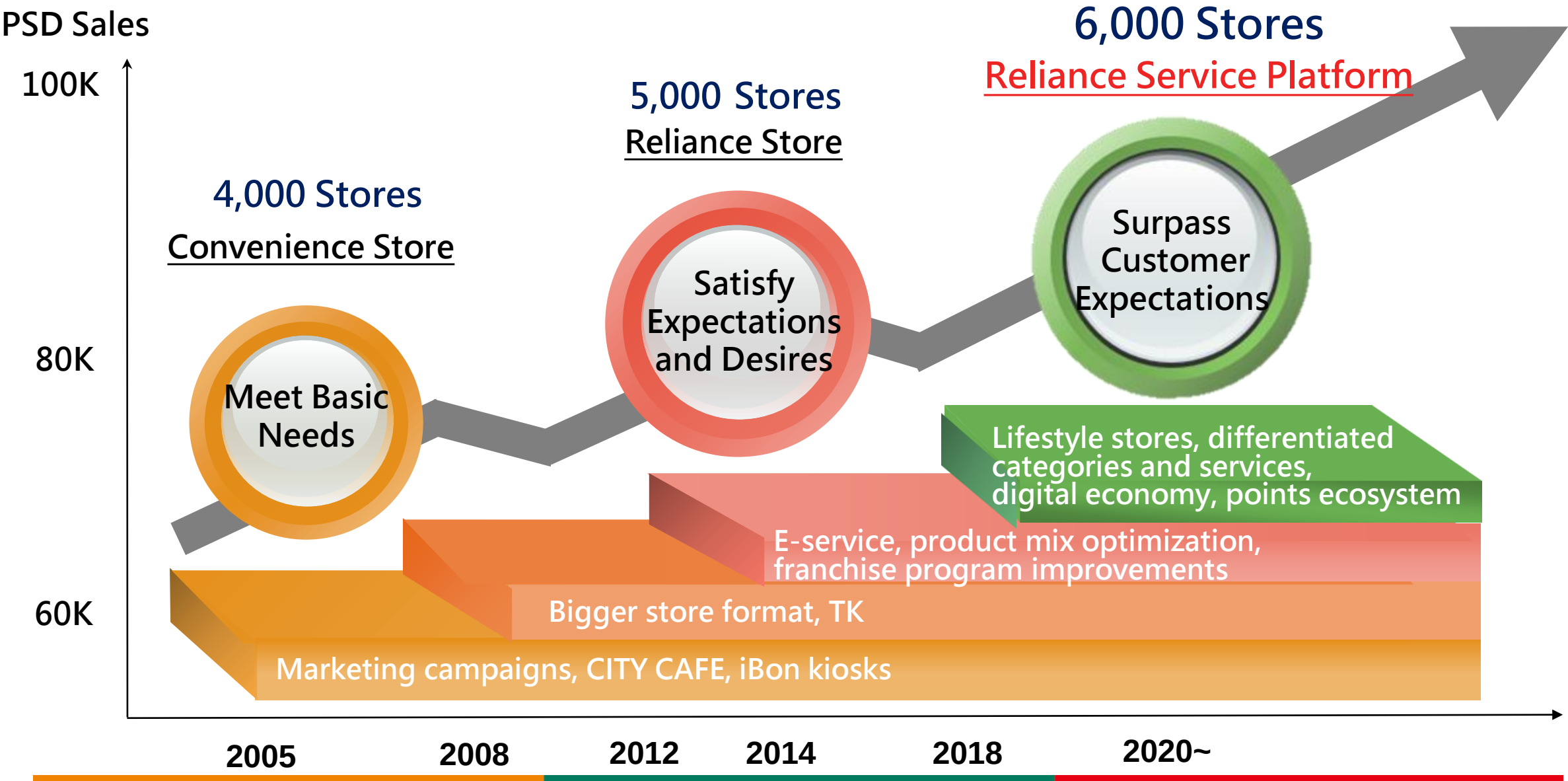
Sustainable Cash Dividend



Note : 2020 cash dividend has not been approved by AGM.

Outlook

Key Milestones to Create New Momentum for Growth



Surpass Customer Expectations

Building a Reliance-based Service Platform to Create New Growth Momentum

Great to have

7-ELEVEN

Offline Experience

- Enhance core business
- Strengthen brand

- Lifestyle Stores
- Differentiated categories
- E-service



- Mobile ordering and pickup
- i-Preorder
- Membership benefits

Online Service

- Virtual storefront
- Expand into new fields

Adjust structure to align with growth

People, Stores, Products, Logistics, Culture, Systems, Policy



Aggressive Expansion to Drive Growth

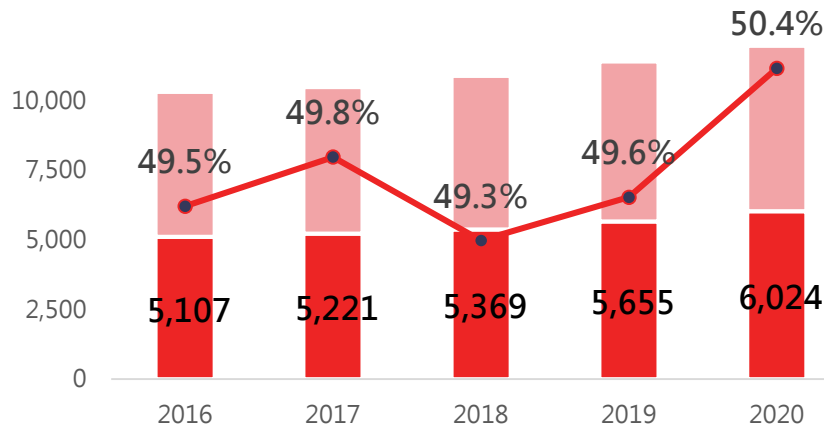
- Aggressive expansion focusing on both quality and quantity to ensure economy of scale
- Stable growth in franchise ratio of total stores; new high in renewal rate

6000 stores: each store flourish in its own way

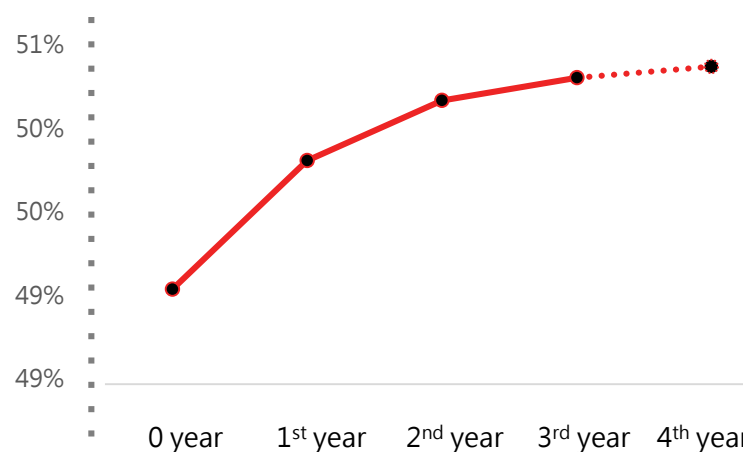


(Store No. 6000: Fengyi Store)

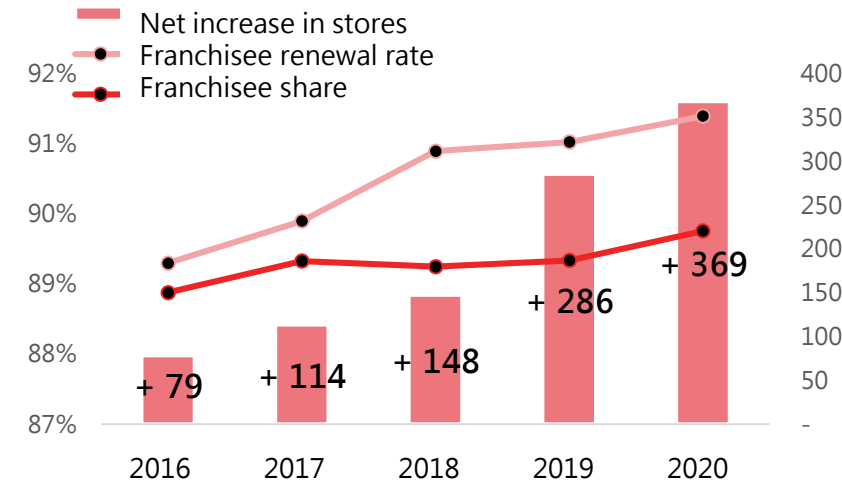
7-ELEVEN Taiwan Market Share by No. of Stores



PSD growth for new stores in past 5 years



Franchisee Overview



Diverse Lifestyle Platforms to Meet Local Needs

- Leverage internal and external resources to provide the 4E experiences: Experience, Education, Entertainment, Exploration
- Continue to introduce new elements for ∞ possibilities  × Any Lifestyle

2018



K.Seren



Bakery



!+? CAFE RESERVE



PIZZA



Books.com



21 TO GO



BEING fit



Candy Store



Draft Beer

2019



Coca-Cola theme store



Kanahei theme store



Heineken theme store



Lay' s theme store



Maserati theme store



Disney theme store

Diverse Lifestyle Platforms to Meet Local Needs

2020

2021



Snoopy theme store



Hello Kitty theme store



Sumikko Gurashi theme store



... more ways
to interact



Cold Stone



OPEN! theme store



Frozen food focus



Cooking classroom



Pokemon theme store



Simple-Fit concept store



Diverse Lifestyle stores

To be continued...

Fresh Food: A Community Kitchen that Meets All Needs

Digital Tools

- ✓ Dual AI: Precise ordering, less shortages
- ✓ i-Love Food discounts: Less waste /higher earnings
- ✓ Mobile Ordering and Pickup: Digital marketing channel
- ✓ Delivery Platform: Broaden customer base



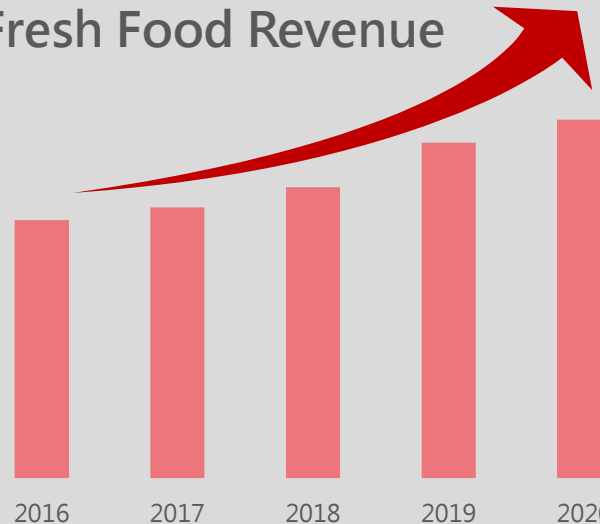
Fresh food revenue
hits new record

Better and Safer

- ✓ Continue to improve taste and quality
- ✓ Rigorous food safety standards



Fresh Food Revenue



New Trends & Opportunities

- ✓ Health/fitness/frozen food trends
- ✓ Differentiated products through collaboration with five-star hotels and famous restaurants
- ✓ New line: Paninis, vegetarian brand



Strengthen CITY CAFE Brand and Seize Digital Opportunities

Brand Equity

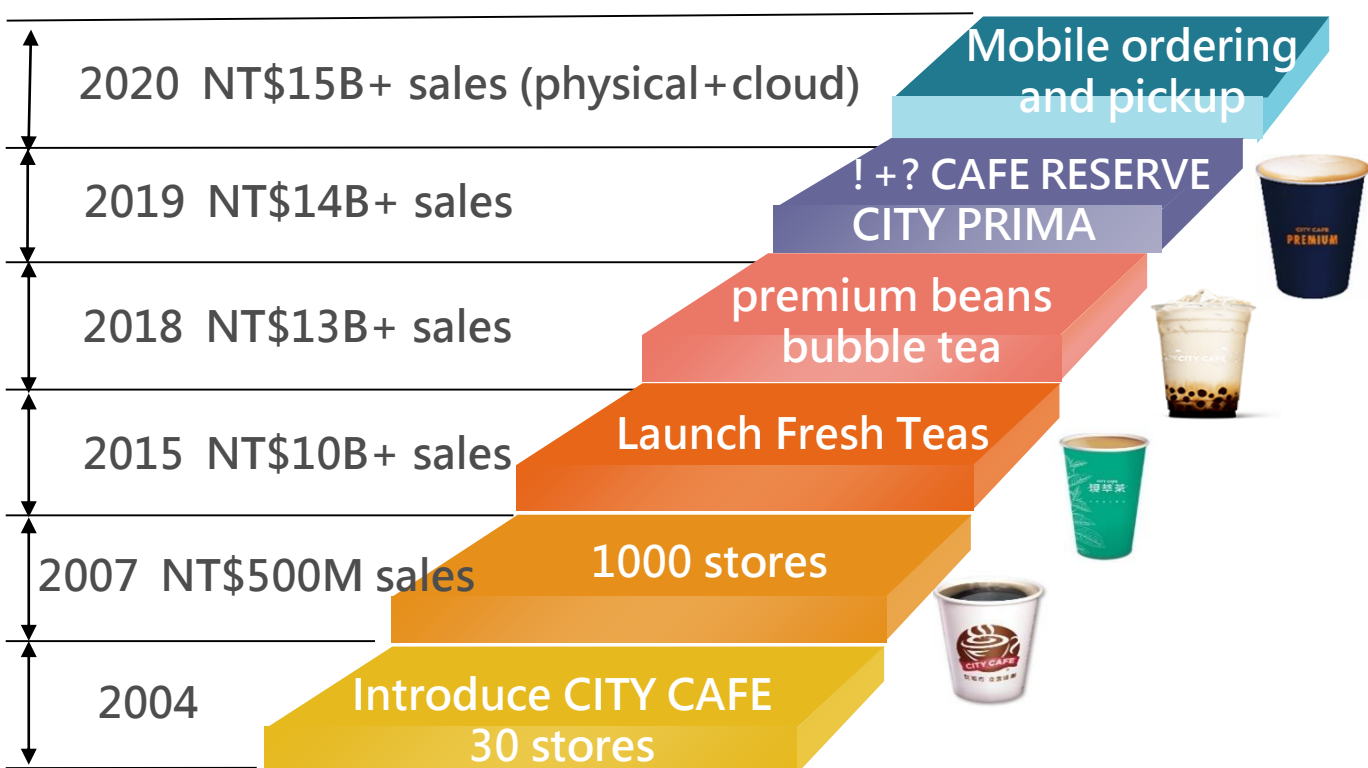
- Continue to upgrade coffee beans and equipment
- High-value differentiated products

Market Trends

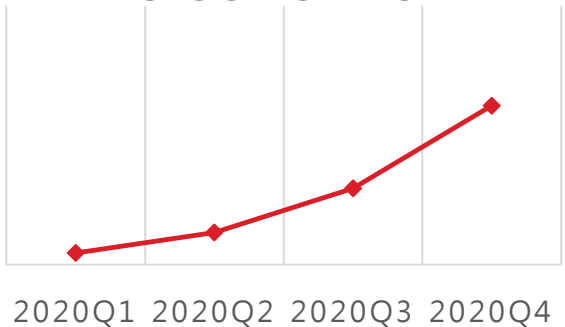
- Four major focuses
- Develop new products for different customer segments

Digital Opportunities

- Mobile ordering and pickup drives cloud business growth
- Intelligent coffee vending machines create new sales



RAPID GROWTH IN CLOUD SALES



Comprehensive and Convenient Services Drive Growth

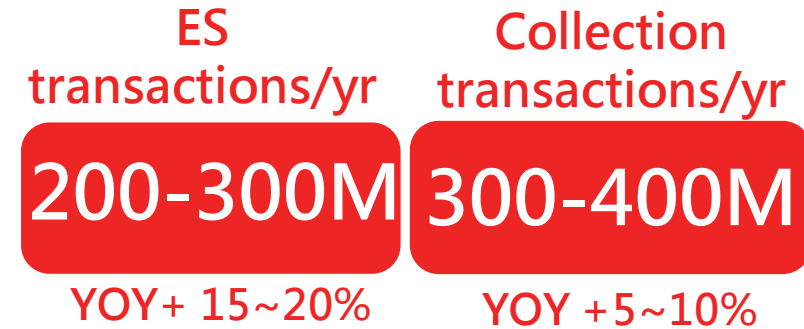
Enhanced E-Service

- ✓ MyShip business
 - Own platform share up
 - No. 4 in no. of packages!
- ✓ Quick Collection Service
Pickup at home; capacity still growing
- ✓ Cold Chain Pickup
A second growth curve
- ✓ Local Collaboration
Help physical retailers pivot to online

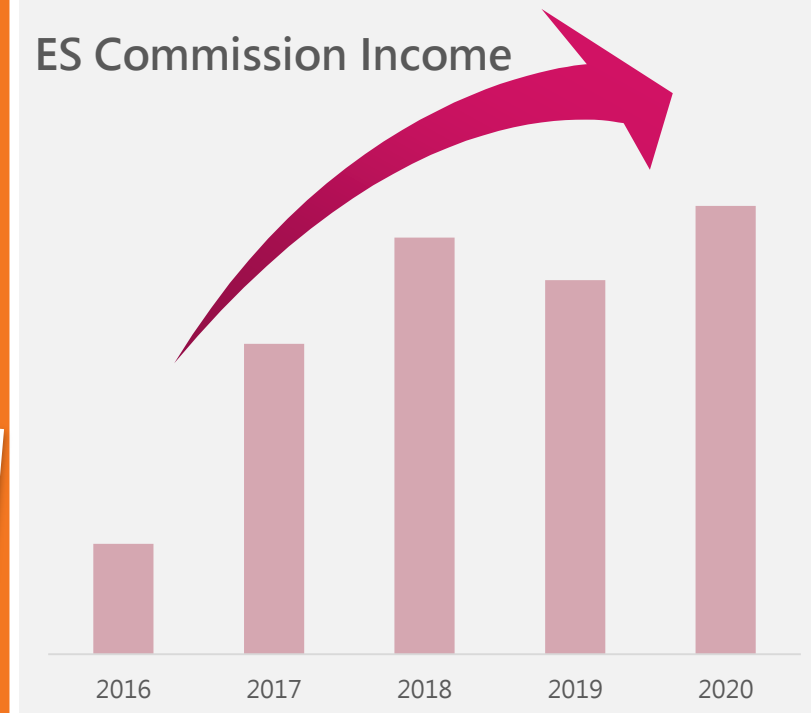


New Collection Options

- ✓ Collection/Payments Platform
Migrant worker remittances/loan collection
- ✓ Mask/Stimulus Voucher Preorders
New opportunities during the pandemic



ES Commission Income

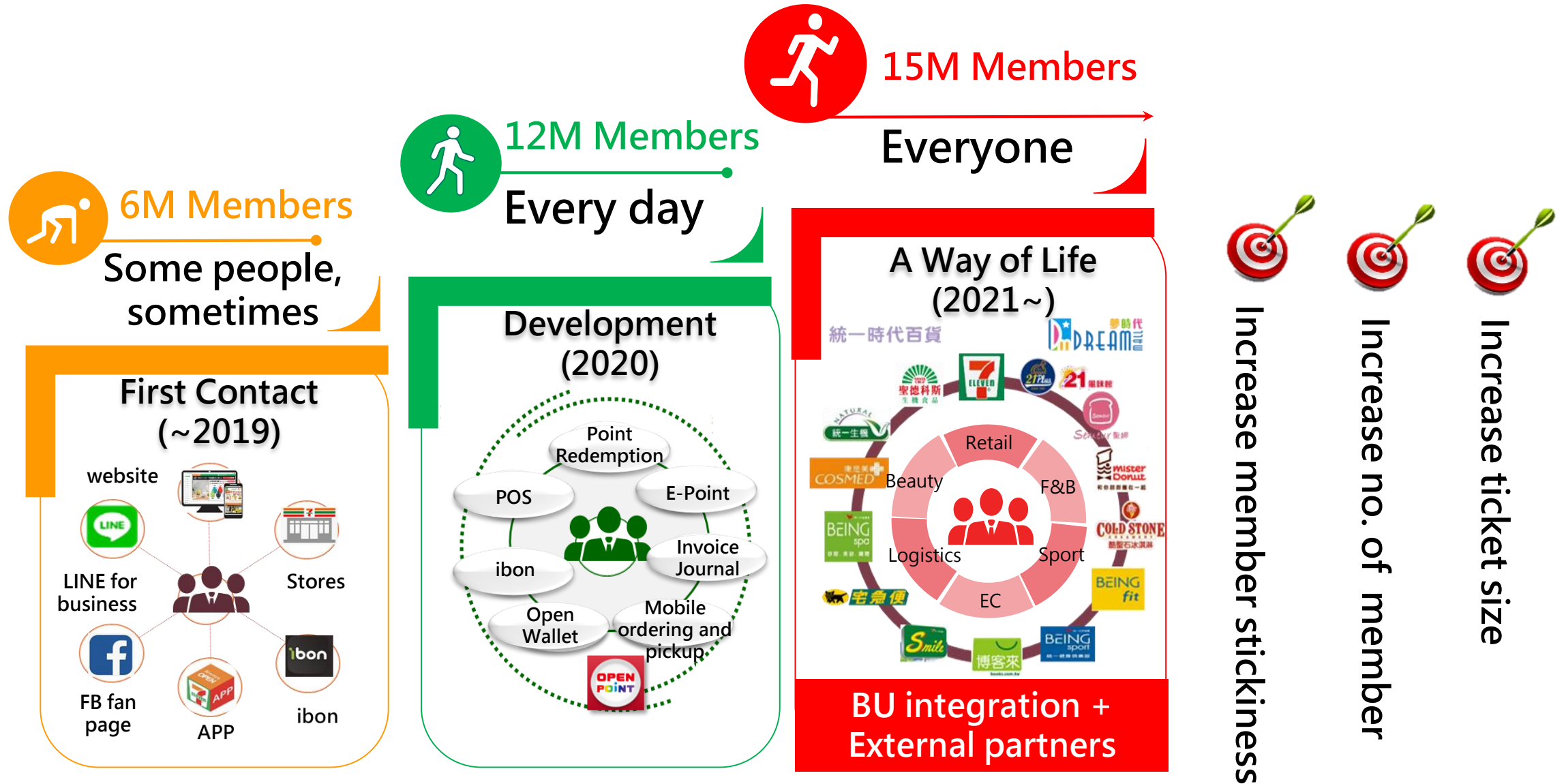


A High-Quality Comprehensive Digital Service Platform

Building up the OpenPoint Ecosystem in 2021



Building the OpenPoint Ecosystem



Innovative Technologies for the Future

Intelligent Vending Machine



- Multiple temperature zones allow diverse product stock
- IoT network for precise control

Intelligent Coffee Vending Machine



- New opportunity to generate sales outside of stores
- Diverse payment methods for a variety of locations

Self-Checkout Counter

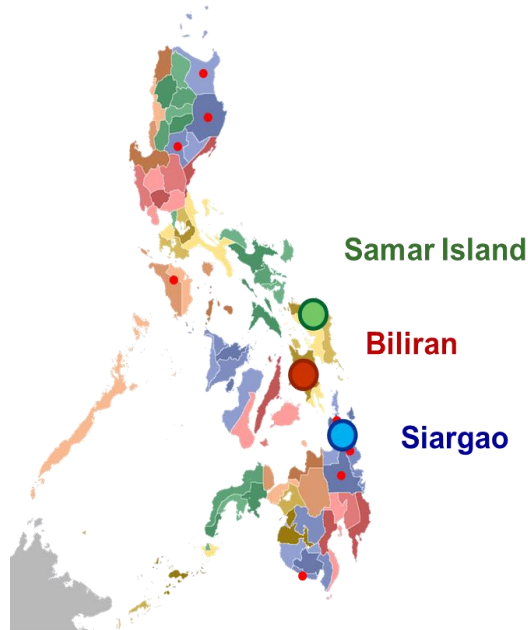


- QR code + contactless technology for accuracy
- Quick, easy, efficient

7-Eleven Philippines: Ready for the New Normal

High-Quality Expansion

- Market share leader for convenience store segment; 2,978 stores in 2020, continued expansion in 2021
- Franchise program improvements and stable franchise ratio



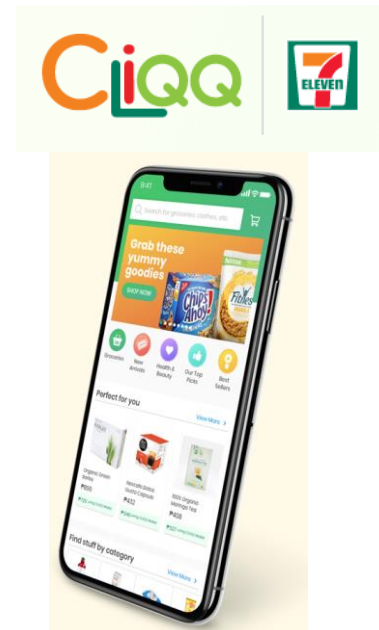
Flexible Operations

- More daily necessity and grocery products; flexible shelving & pricing strategies
- Continue to develop differentiated product categories, and strengthen fresh food and coffee brands
- Expand delivery service



Digital Development and New Services

- Keep up with customer trends to provide more comprehensive and convenient service
- Develop e-commerce platform and ATM services etc.
- CliQQ Wallet user base growing



Sustainable Company for Customers, Society, and Environment

Rigorous Supplier Management for Food Safety



Quality inspection lab est. 2012; full source tracing to ensure food safety

Plastics and Packaging Reduction Programs



Prioritization of packaging with less plastic and biodegradable plastics; eliminated plastic straws and used sip lids in 2019



Charity Platform for Disadvantaged Groups and Global Issues



Meal deliveries for disadvantaged elderly on weekends; care for seniors with dementia; community health stations



i-Love Food program for Food Waste Reduction



Goal to reduce food waste by half by 2030

2 years running

Dow Jones Sustainability Indices (DJSI World and DJSI Emerging market Index)



**First Honor
2020 DJSI Industry Leader of Food and Staples Retailing**

**First Honor
Enterprise Asia Responsible Enterprise Award**

FTSE4Good Emerging Markets Index; MSCI ESG Leaders Indexes and Global SRI Indexes; TWSE Corporate Governance 100 Index; FTSE4Good TIP Taiwan ESG Index; Top 5% in Taiwan Corporate Governance Evaluation System

The end