

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.

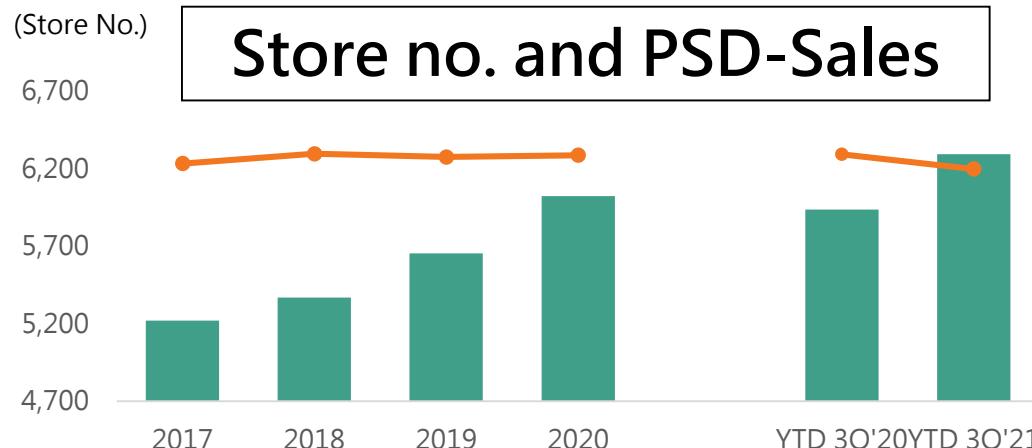
Note 2 : The operating profits of Taiwan 7-ELEVEN grew year on year in 2020. Given that the one-off tax refund from subsidiaries was recognized in 2019, and overseas subsidiaries were hit hard by lockdown measures due to the impact of COVID-19, the net profit attributable to the parent company declined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

2021 Third Quarter Financial Results

Unit: NTD billion

	3Q20	3Q21	YOY	YTD 3Q20	YTD 3Q21	YOY
Revenue (Company Only)	44.7	41.6	-6.99%	125.4	124.9	-0.38%
Revenue (Consolidated)	67.8	65.4	-3.48%	192.3	194.1	0.91%
Net Profit (Consolidated)	3.2	2.3	-26.32%	8.8	7.3	-17.20%
Net Profit attributable to the parent company	2.9	2.1	-28.25%	8.0	6.5	-17.9%
EPS (NT\$)	2.76	1.98	-0.78	7.66	6.29	-1.37

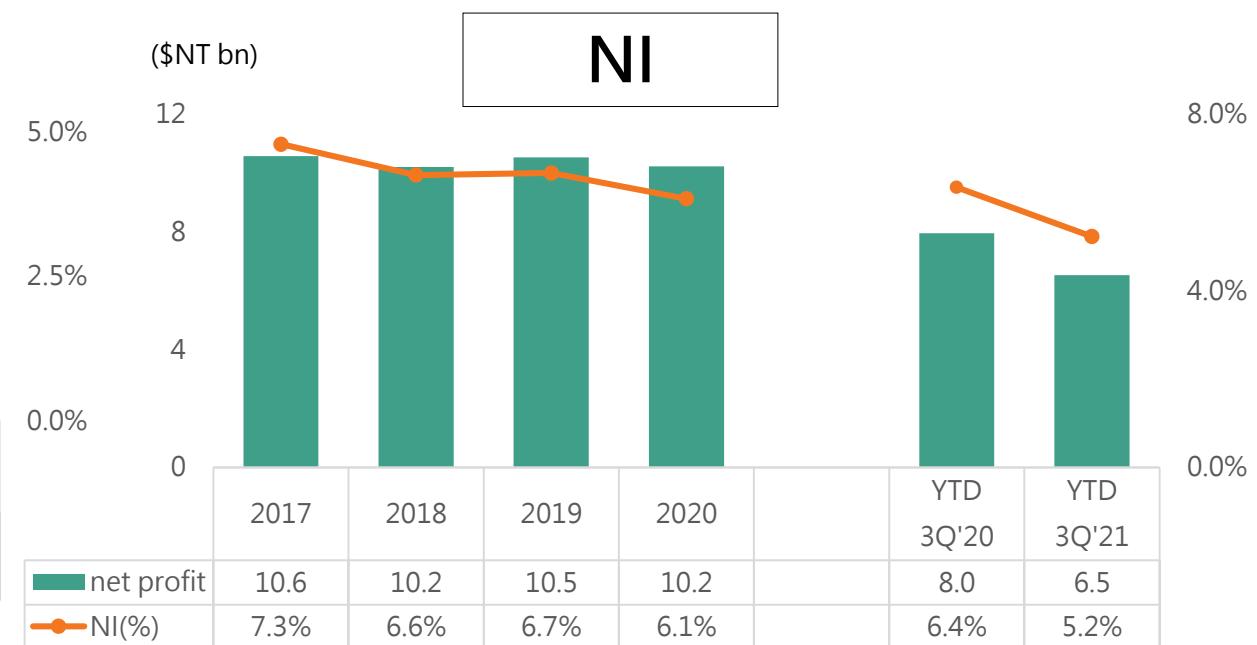
Sales and Profitability (Company)



Note: YTD 3Q'21 PSD-Sales decreased due to the impact of COVID-19.

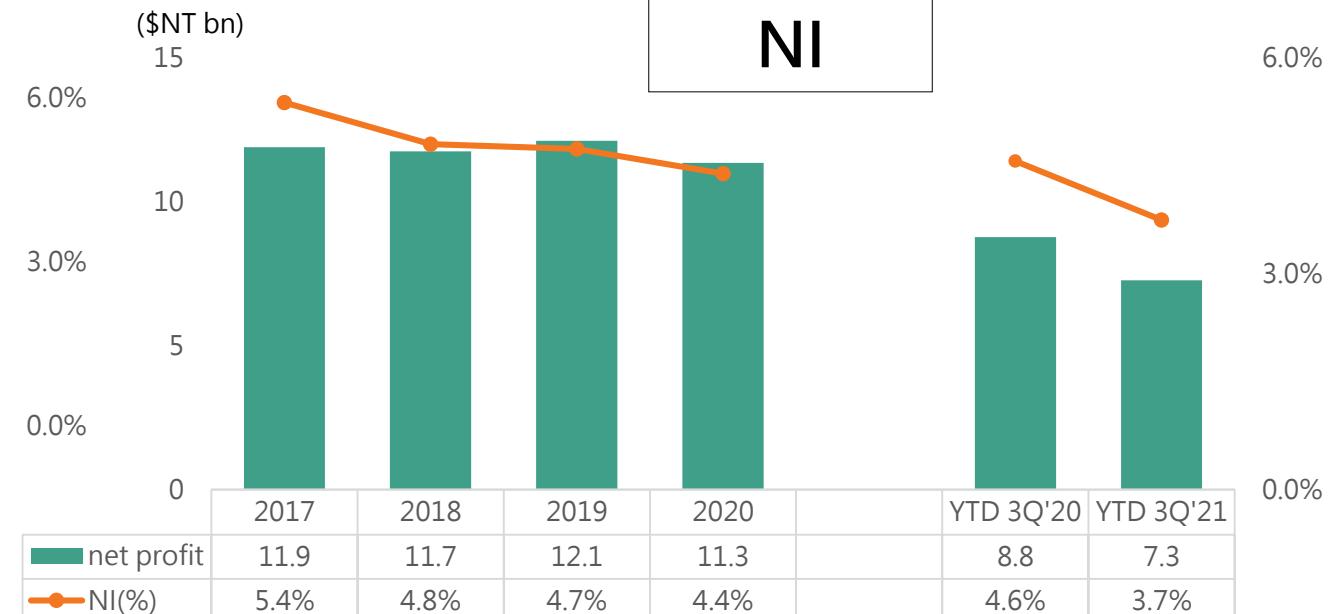
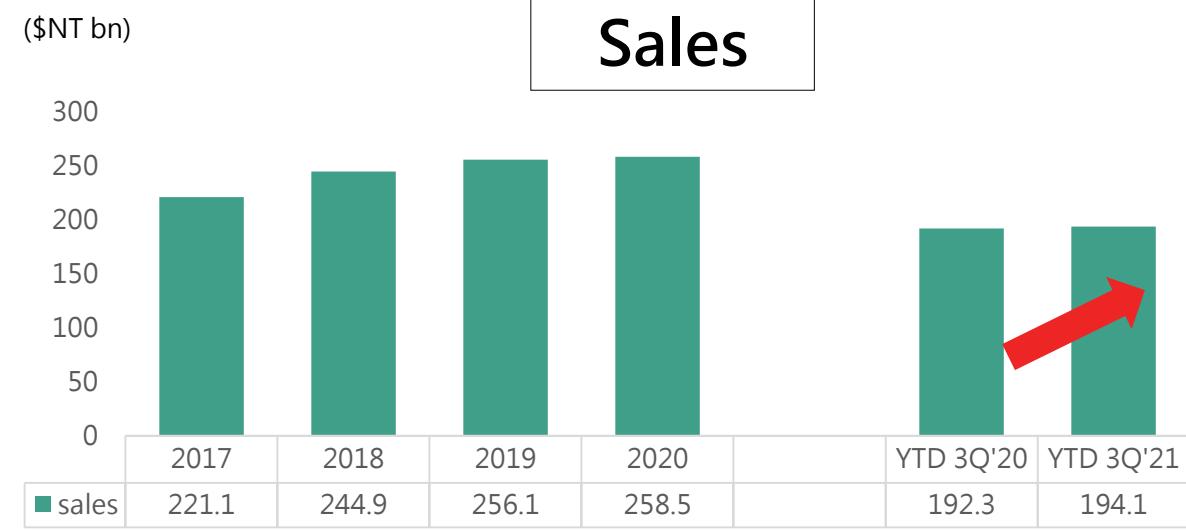
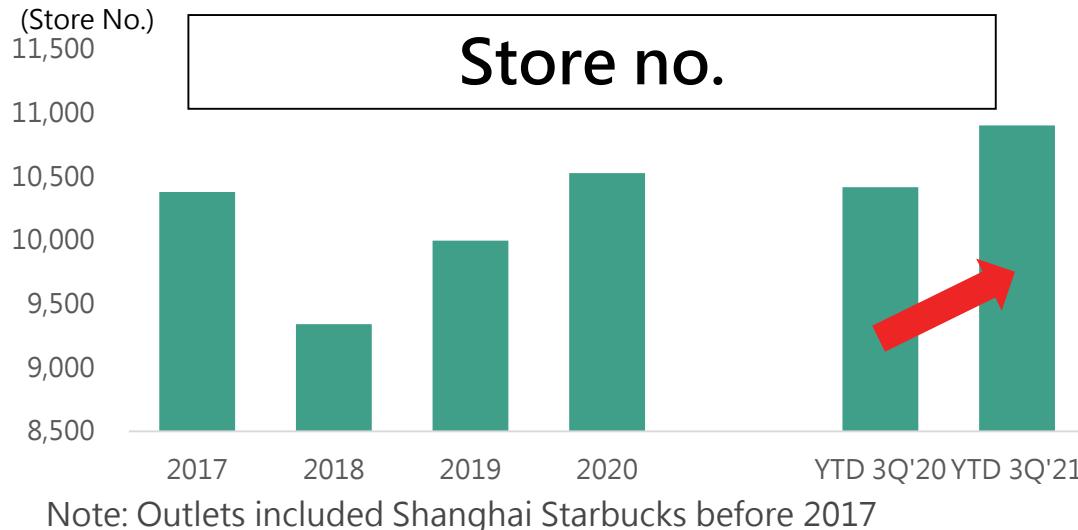


Note: OPM in YTD 3Q'21 decreased due to the impact of COVID-19.



Note: Figures in 2017 excluded Shanghai Starbucks disposal gain.

Sales and Profitability (Consolidated)

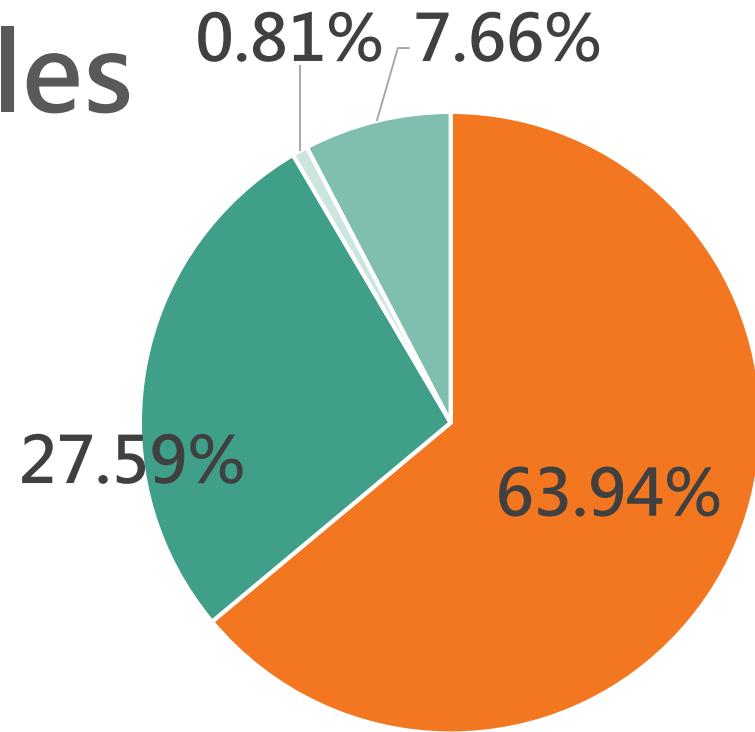


Note: YTD 3Q21 OPM declined mainly because Taiwan 7-11 and Taiwan business such as Starbucks had impact of COVID-19.

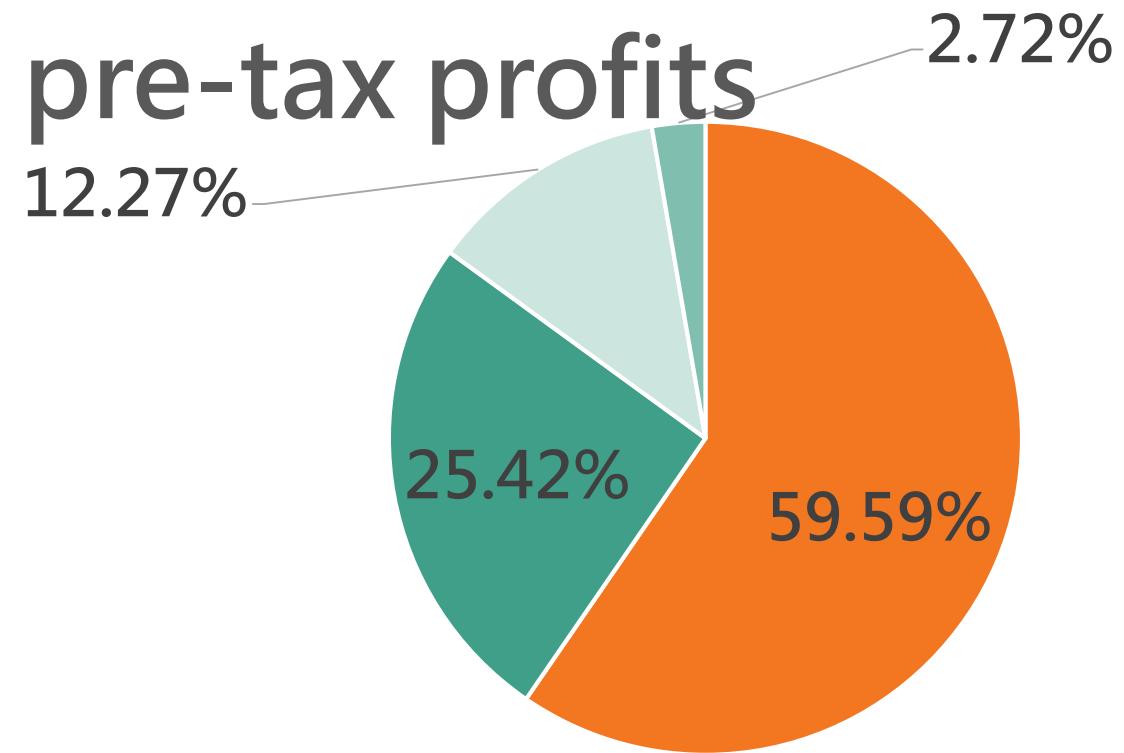
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Segment Information

sales



pre-tax profits



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

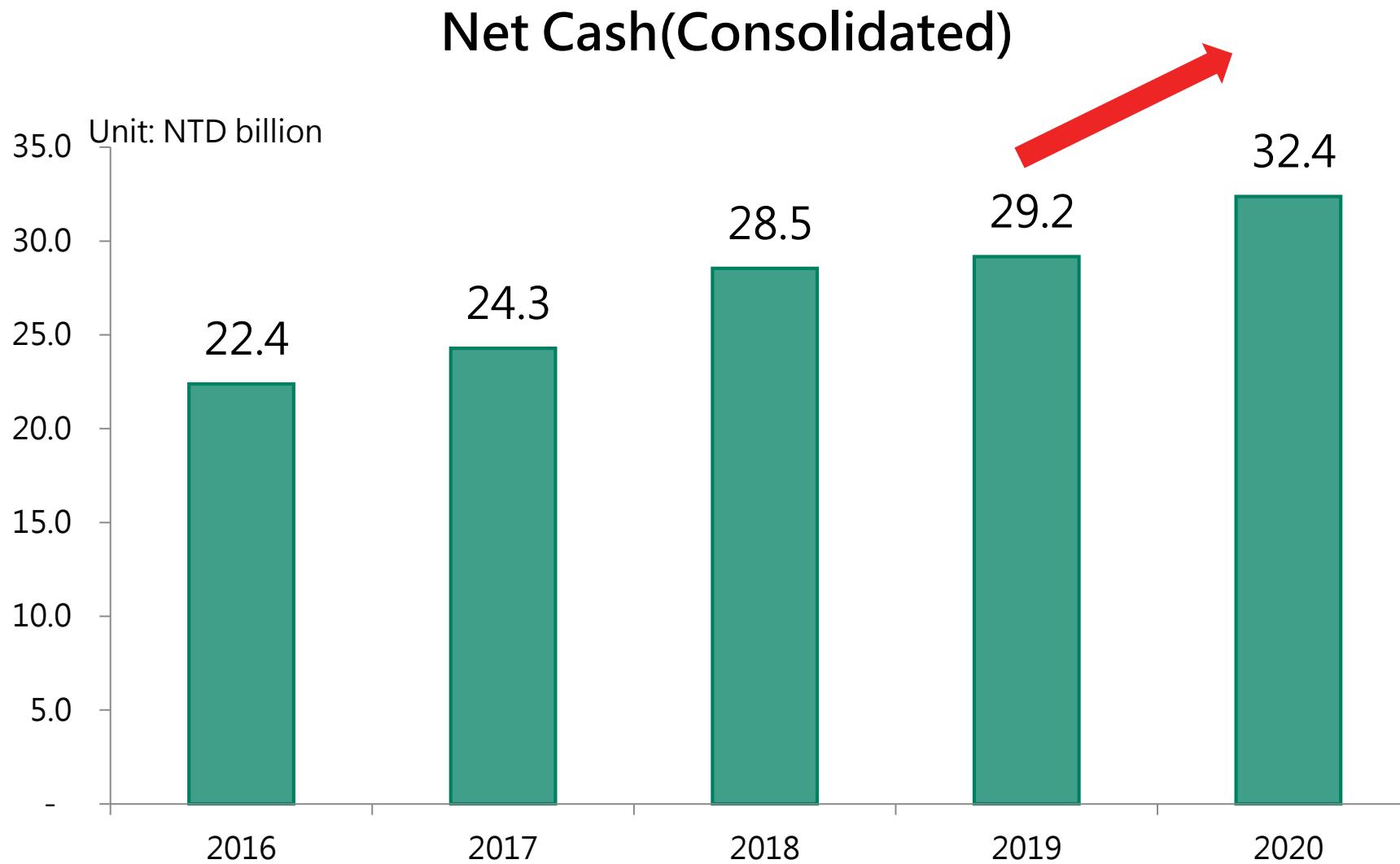
■ Taiwan 7-11 ■ Retail ■ Logistics ■ Others, Adjustment and elimination

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

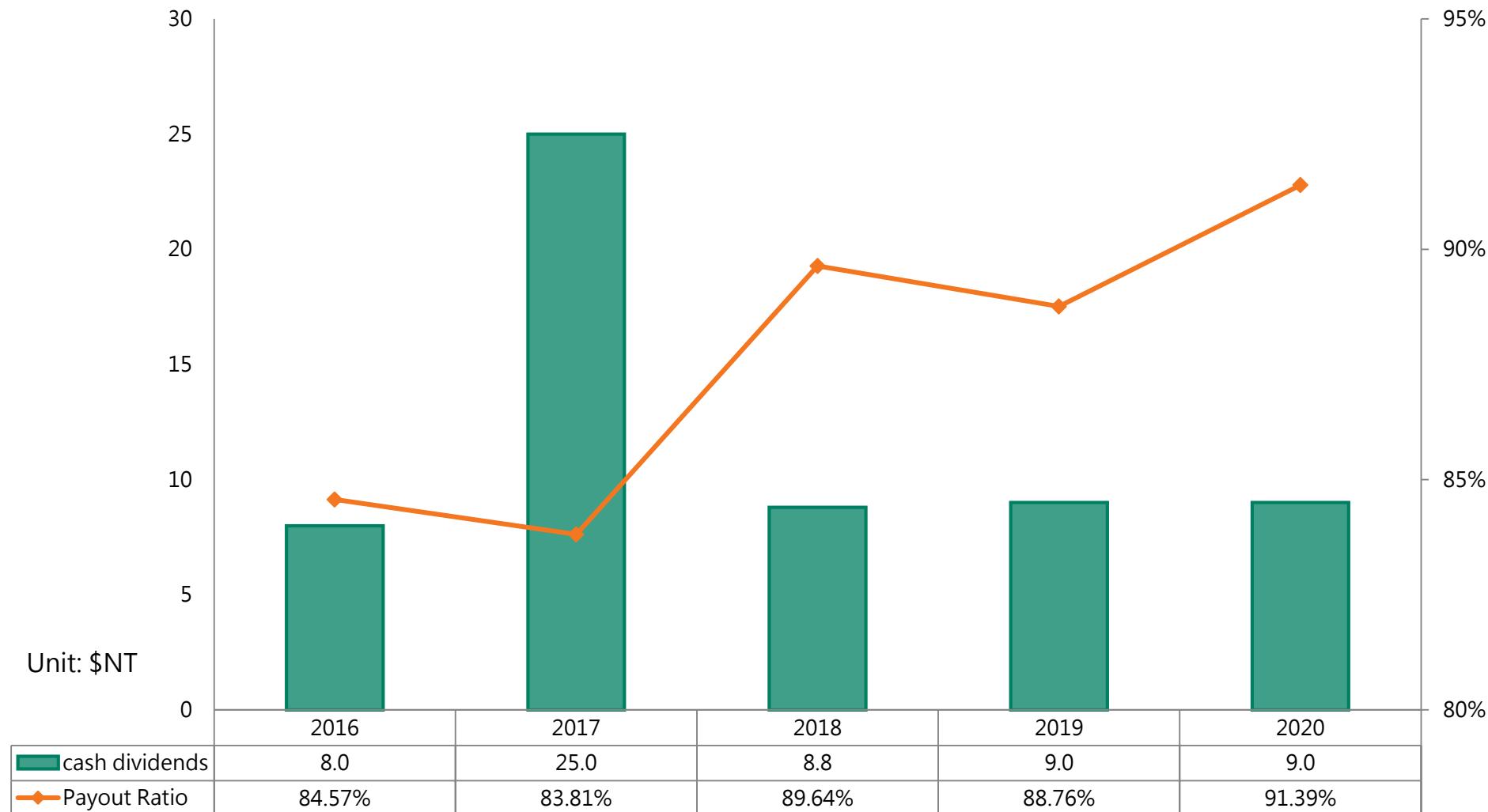
Logistics: Retail support, Cold Chain, Wisdom distribution etc.

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

Steady Cash Flow



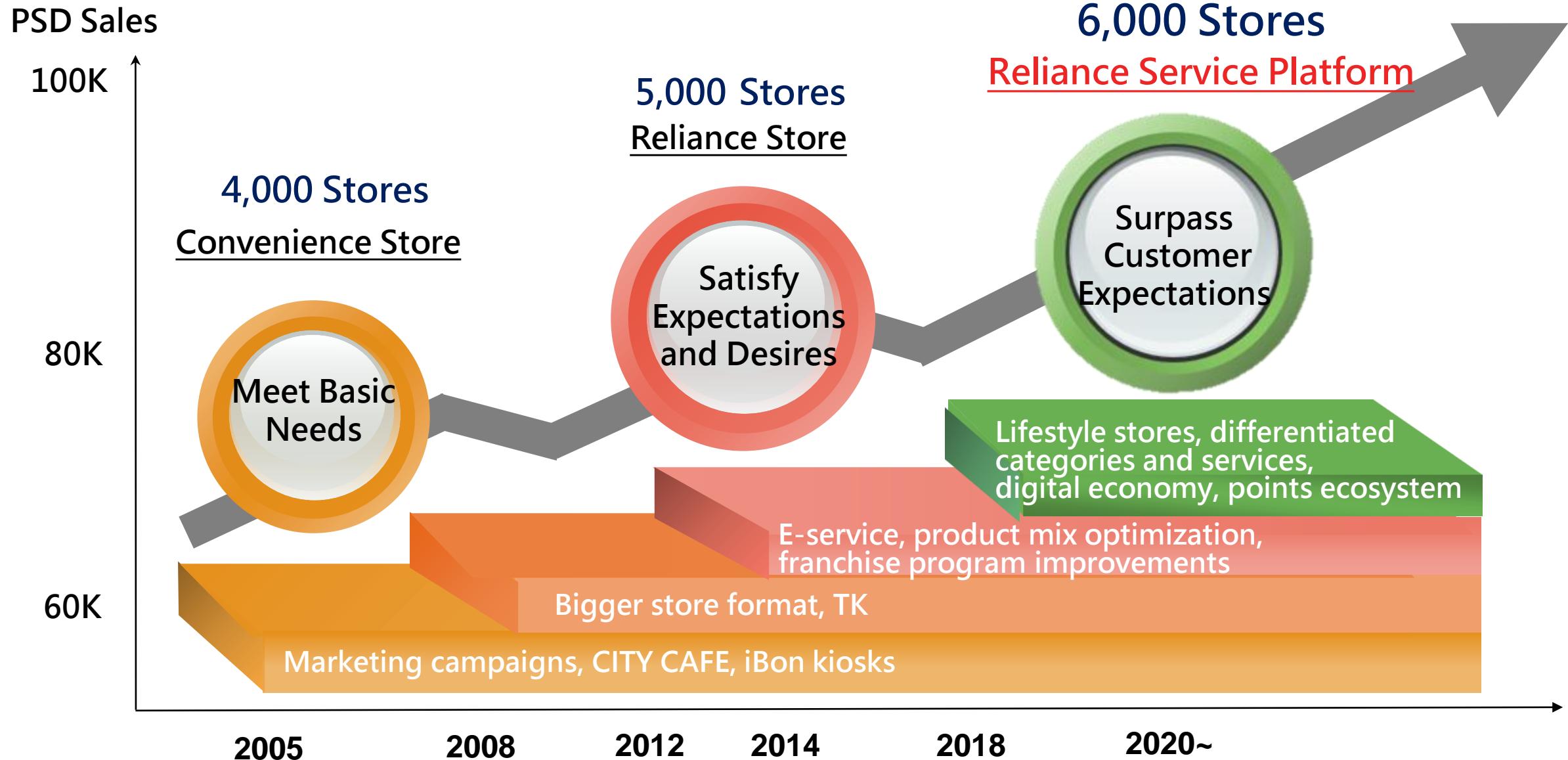
Sustainable Cash Dividend



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

Offline Experience

- Enhance core business
- Strengthen brand

Great to have 7-ELEVEN

- 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

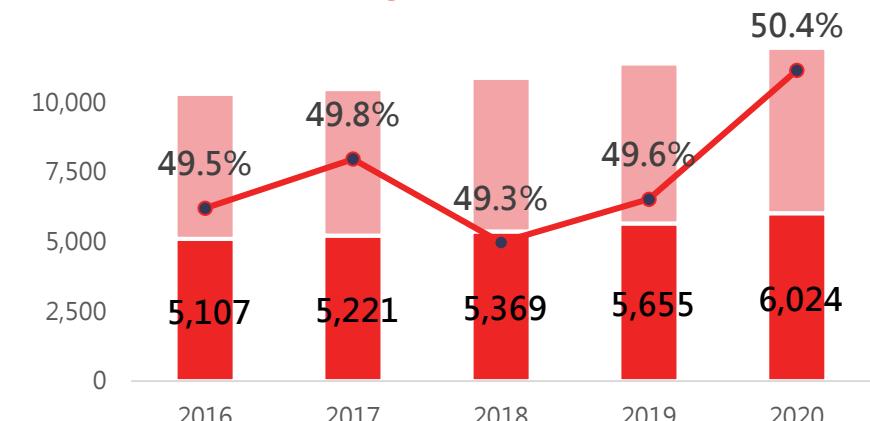
- Aggressive expansion focusing on both quality and quantity to ensure economy of scale
- Stable growth in franchise ratio of total stores; new high in renewal rate

6000 stores: each store flourish in its own way



(Store No. 6000: Fengyi Store)

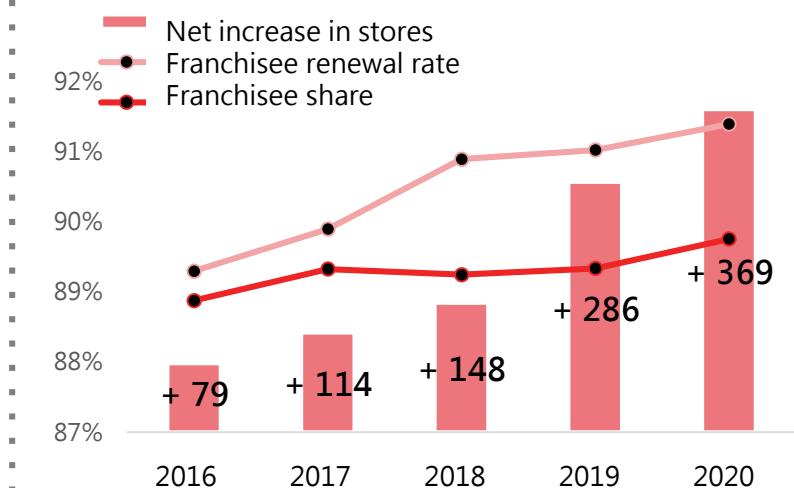
7-ELEVEN Taiwan Market Share by No. of Stores



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



\times 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



Snoopy theme store



Hello Kitty theme store



Sumikko Gurashi theme store



2021



Cold Stone



OPEN! theme store



Frozen food focus



Cooking classroom



... more ways
to interact



Simple-Fit concept store



Diverse Lifestyle stores



Pokemon theme store

To be continued...

Fresh Food: A Community Kitchen that Meets All Needs

Digital Tools

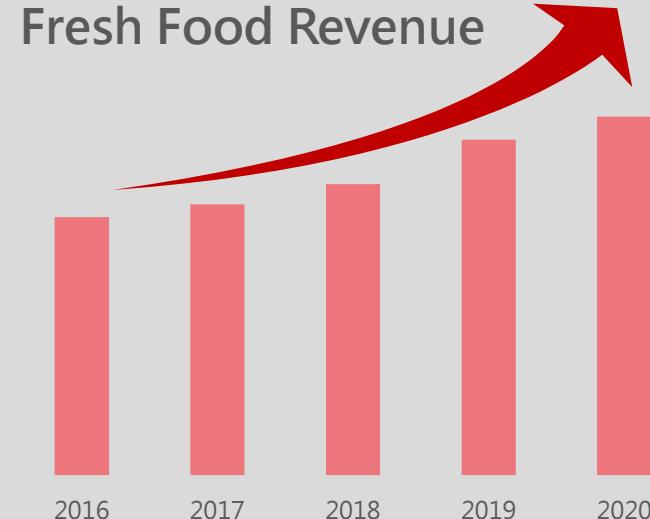
- ✓ Dual AI: Precise ordering, less shortages
- ✓ i-Love Food discounts: Less waste /higher earnings
- ✓ Mobile Ordering and Pickup: Digital marketing channel
- ✓ Delivery Platform: Broaden customer base



Fresh food revenue
hits new record

Better and Safer

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



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

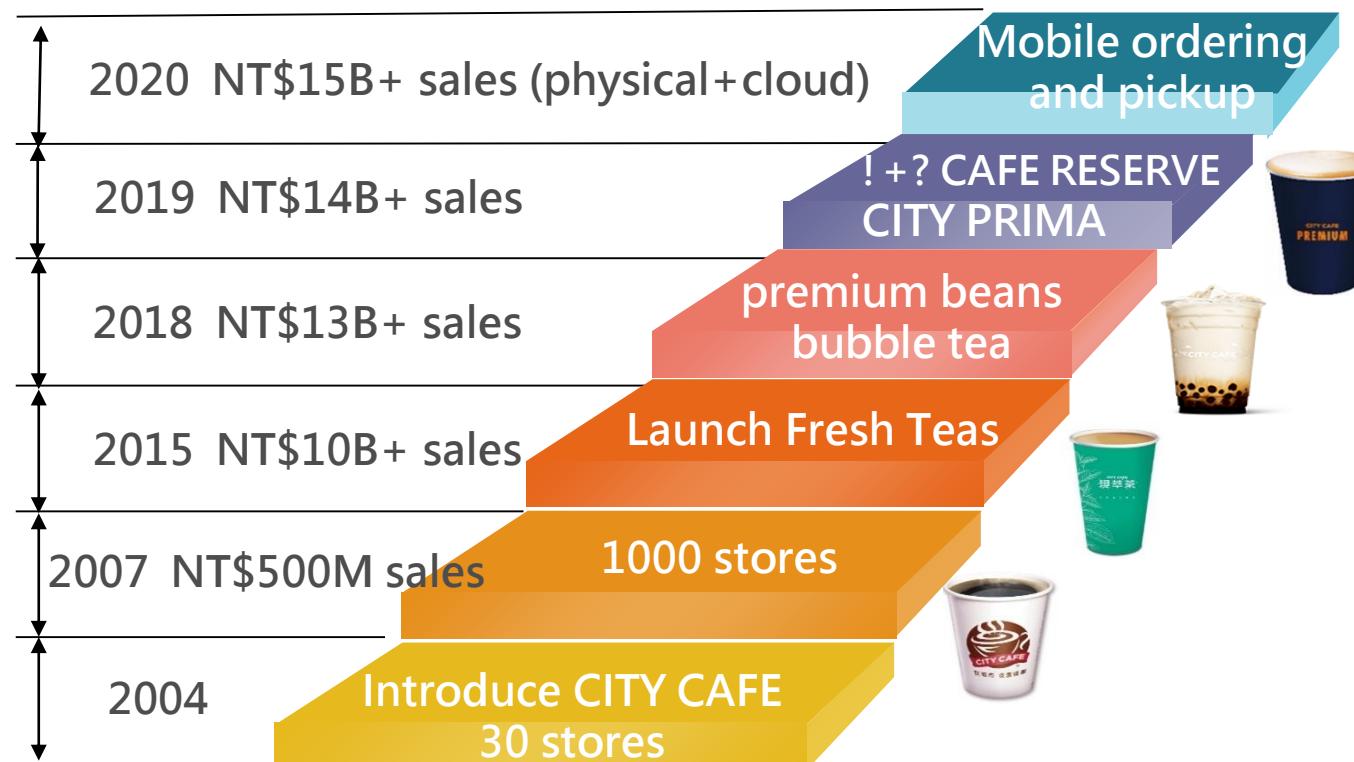
- Continue to upgrade coffee beans and equipment
- High-value differentiated products

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

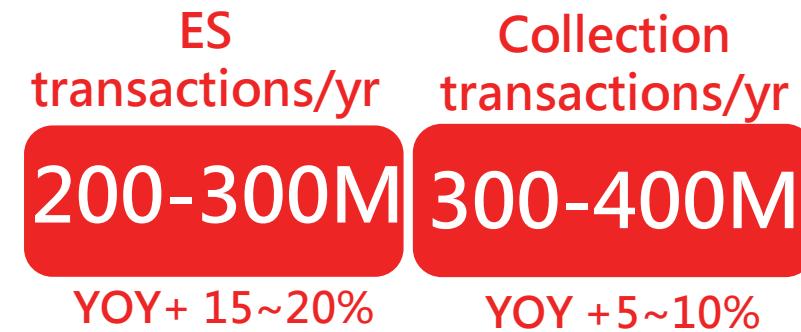
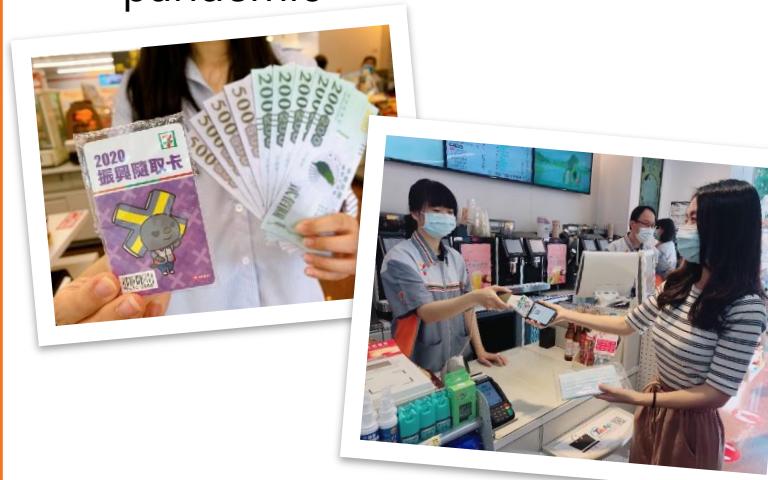


New Collection Options

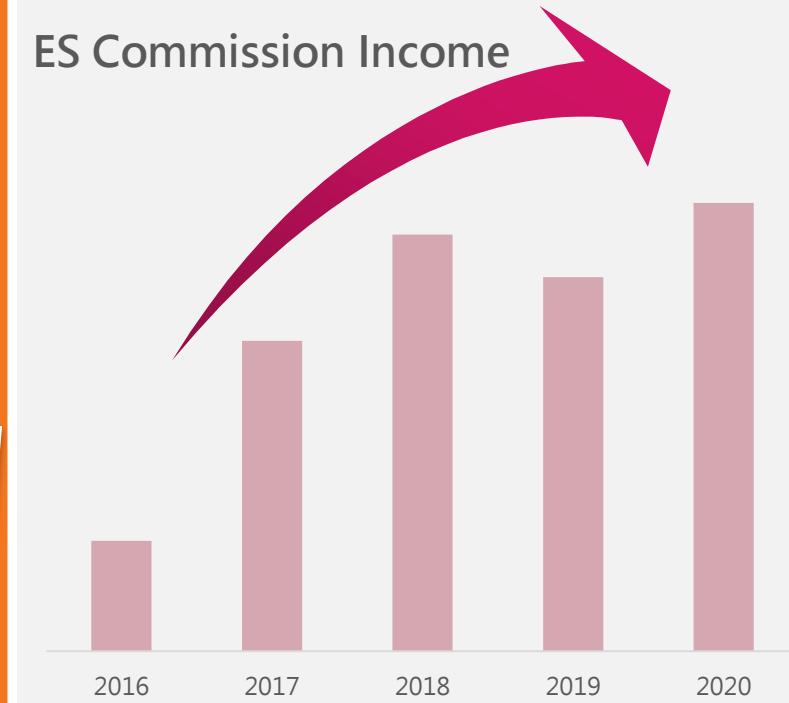
- ✓ **Collection/Payments Platform**

Migrant worker remittances/loan collection
- ✓ **Mask/Stimulus Voucher Preorders**

New opportunities during the pandemic



ES Commission Income

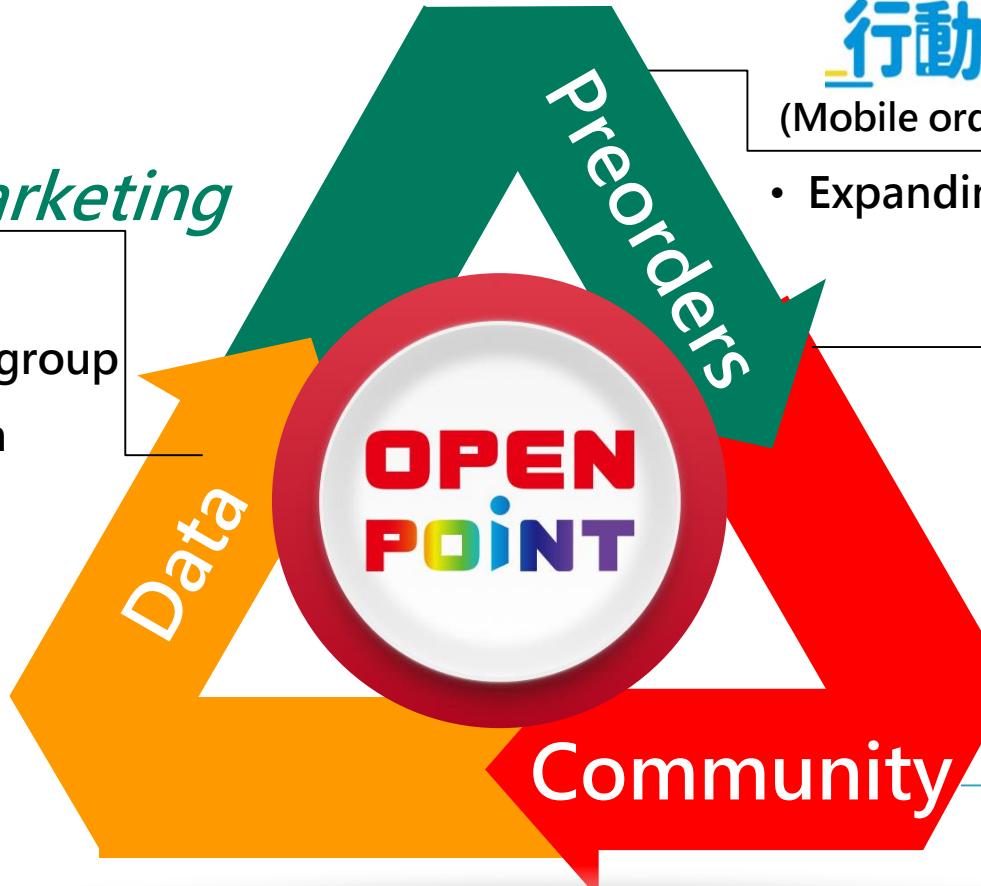


A High-Quality Comprehensive Digital Service Platform

Building up the OpenPoint Ecosystem in 2021

Precision Marketing

- Membership tiers
- Integration across group
- Data value creation



OPEN POINT 行動隨時取 (Mobile ordering and pickup)

- Expanding to key products



i預購 (i-Preorder)

- convenient store on e-commerce



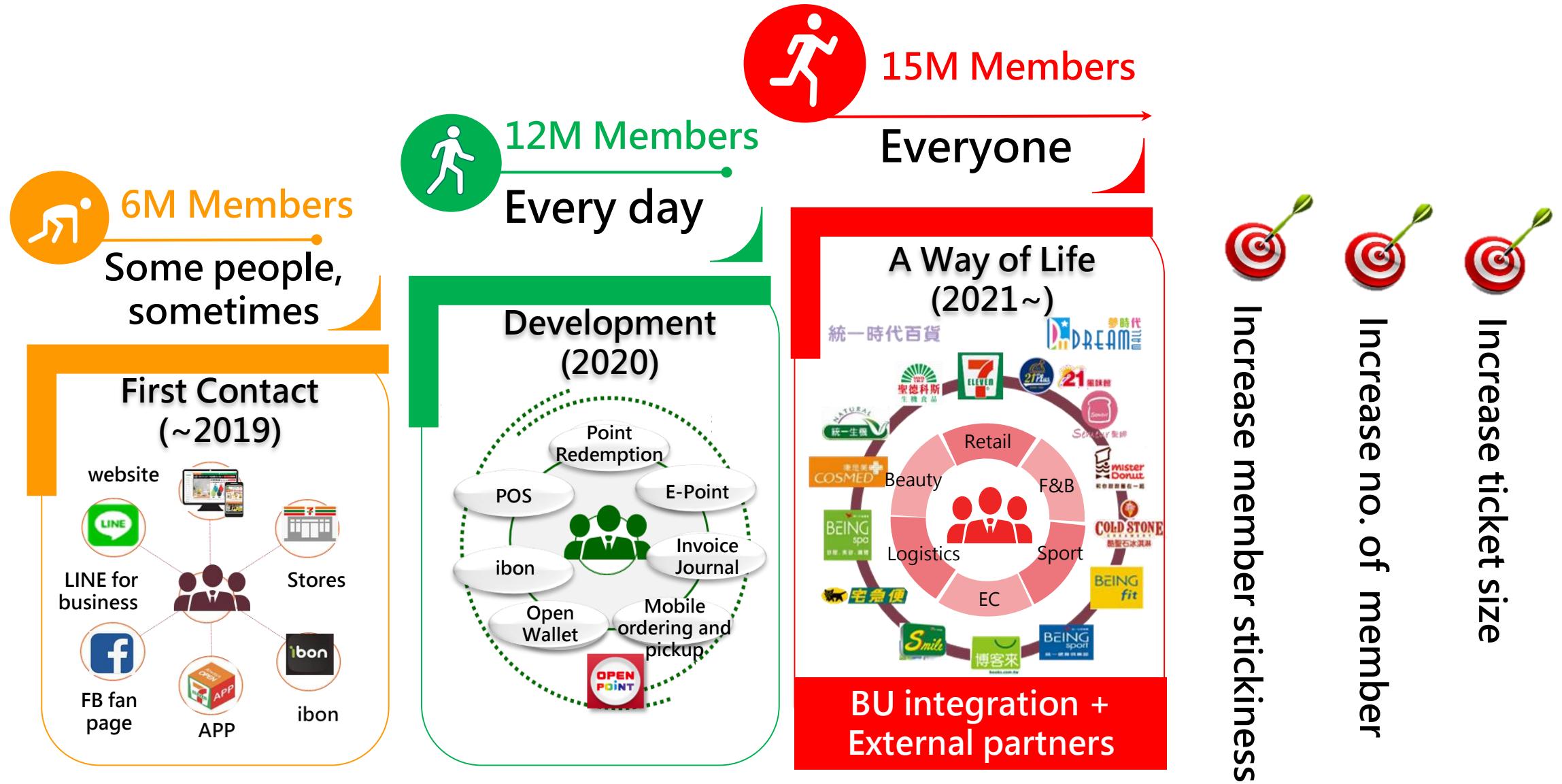
Holiday dishes, appliances, consumer electronics, etc.

Upgraded Features

- Store communities
- "+1" ordering



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

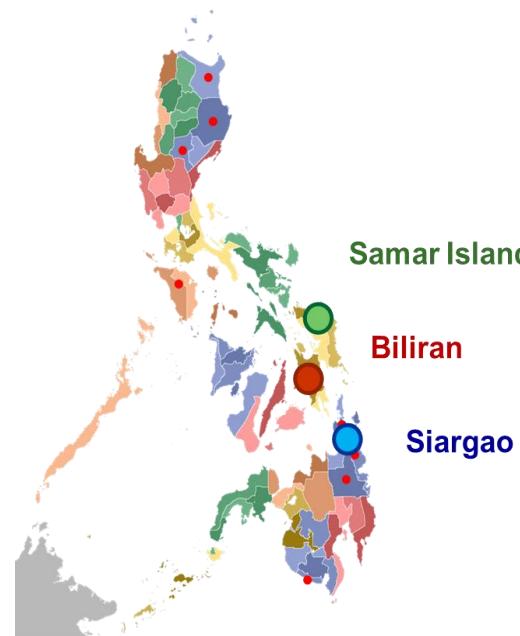


- QR code + contactless technology for accuracy
- Quick, easy, efficient

7-Eleven Philippines: Ready for the New Normal

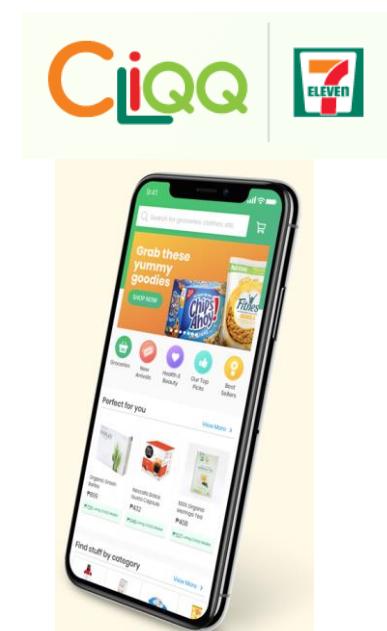
High-Quality Expansion

- 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



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