

President Chain Store Corp.

2912 TT

2022 First Quarter Highlights and Results

Historical Financial Results

Unit: NTD billion	2017	2018	2019	2020	2021	YOY
Revenue (Company Only)	144.5	154.1	158.0	168.1	168.0	-0.1%
Revenue (Consolidated)	221.1	244.9	256.1	258.5	262.7	1.6%
Net Profit	31.0	10.2	10.5	10.2	8.9	-13.4%
One-off gain from Starbucks deal	20.4	-	-	-	-	-
EPS (NT\$)	29.83	9.82	10.14	9.85	8.52	-13.4%

Note 1 : In 2017, the one-off gain from Starbucks deal includes disposal gain of Shanghai Starbucks, re-measurement gain of Taiwan Starbucks and relative expenses.

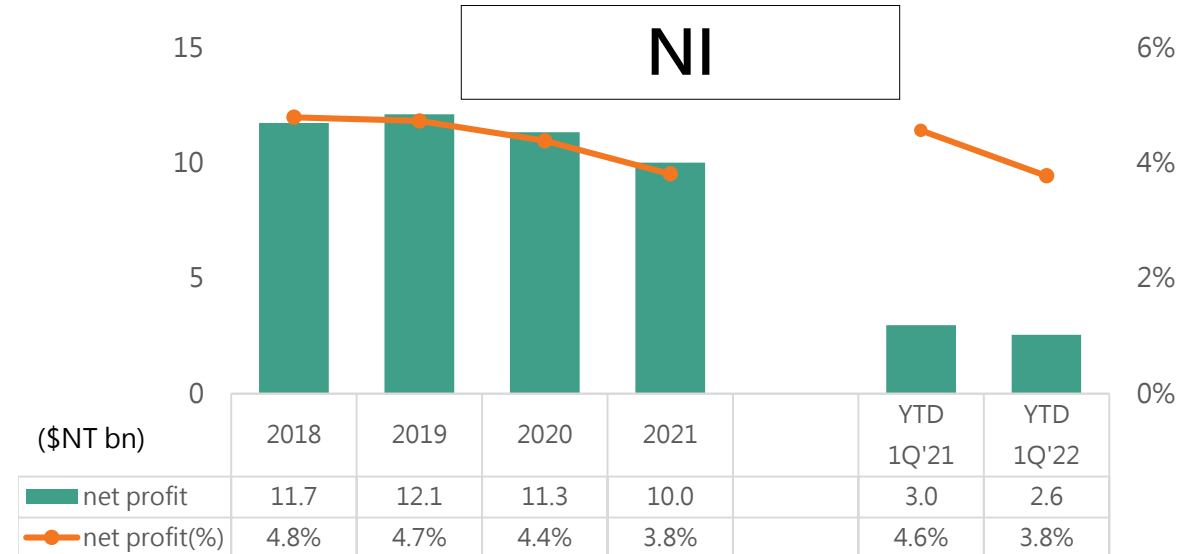
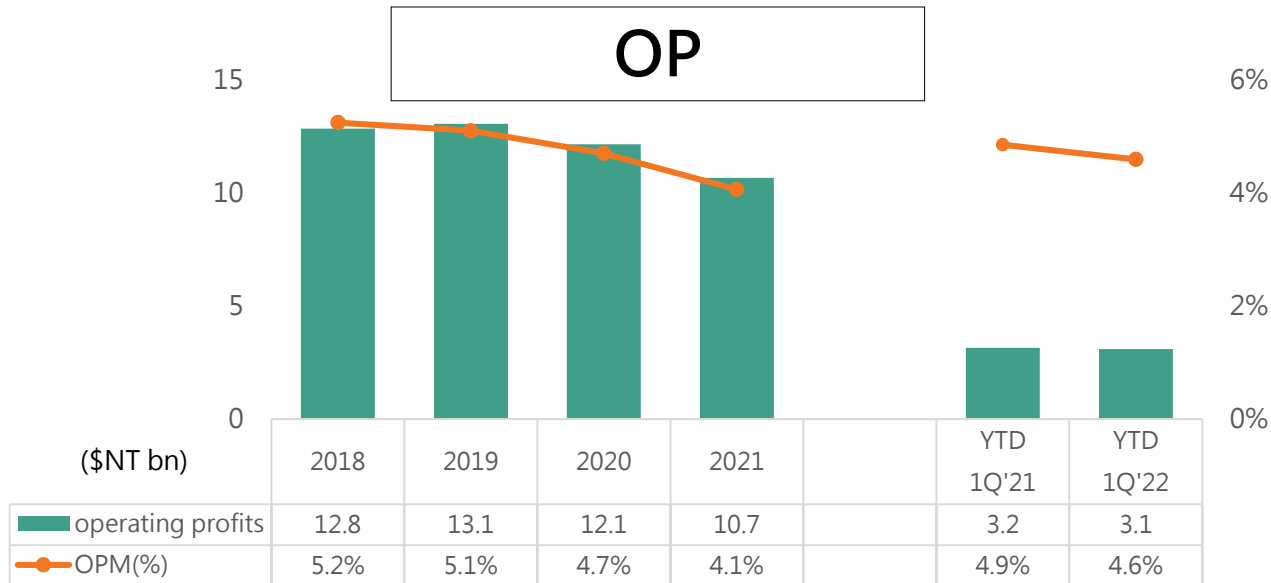
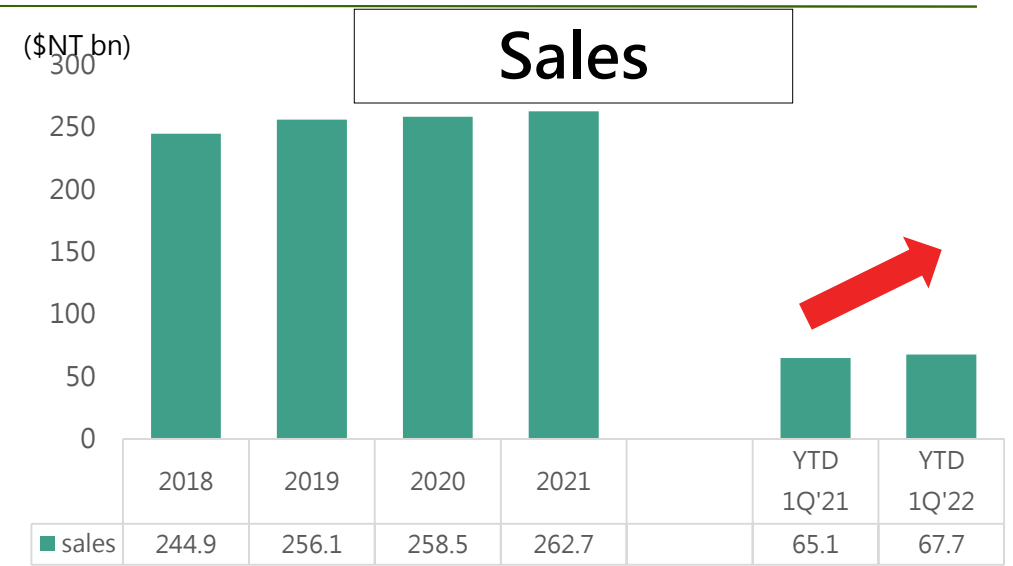
Note 2 : The profit of 2021 declined due to the impact of COVID-19 in Q2 and Q3. However, as the pandemic slowdown, it has been recovering quarter by quarter.

2022 First Quarter Financial Results

	1Q21	1Q22	YOY	Unit: NTD billion
Revenue (Company Only)	41.8	42.8	2.3%	
Revenue (Consolidated)	65.1	67.7	4.0%	
Net Profit (Consolidated)	3.0	2.6	-13.9%	
Net Profit attributable to the parent company	2.7	2.2	-19.9%	
EPS (NT\$)	2.61	2.09	-0.52	

The profit declined in 1Q22 due to the impact of COVID-19 in Taiwan 7-11, Cosmed and other subsidiaries, one-off impairment loss of fire incident in Carrefour Taiwan and the reverse of some amount of deferred tax liabilities in 1Q21. If we exclude one-off impairment loss and tax difference, the profit before tax is similar to last year. And the profit of Philippine 7-11, Starbucks, Transnet and other subsidiaries kept growing.

Sales and Profitability (Consolidated)

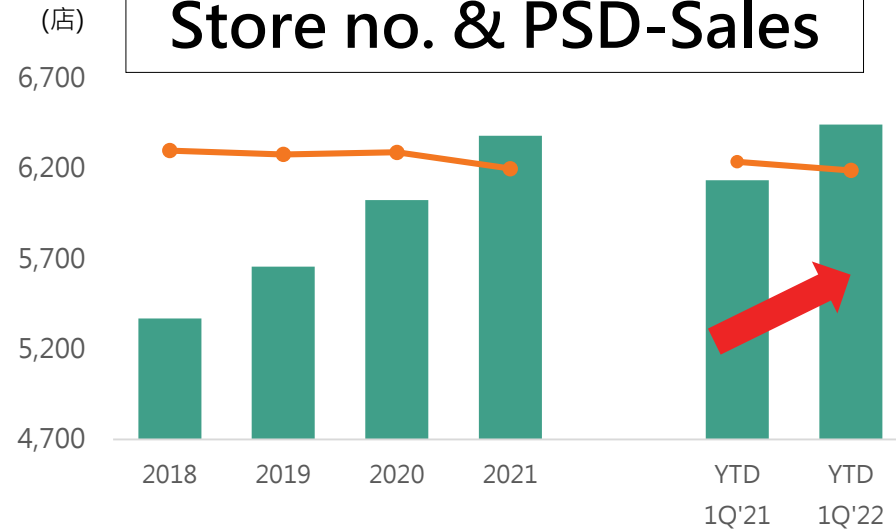


Note: The profit declined in 1Q22 due to the impact of COVID-19 in Taiwan 7-11, Cosmed and other subsidiaries. However, the profit of Philippine 7-11, Starbucks, Transnet and other subsidiaries kept growing.

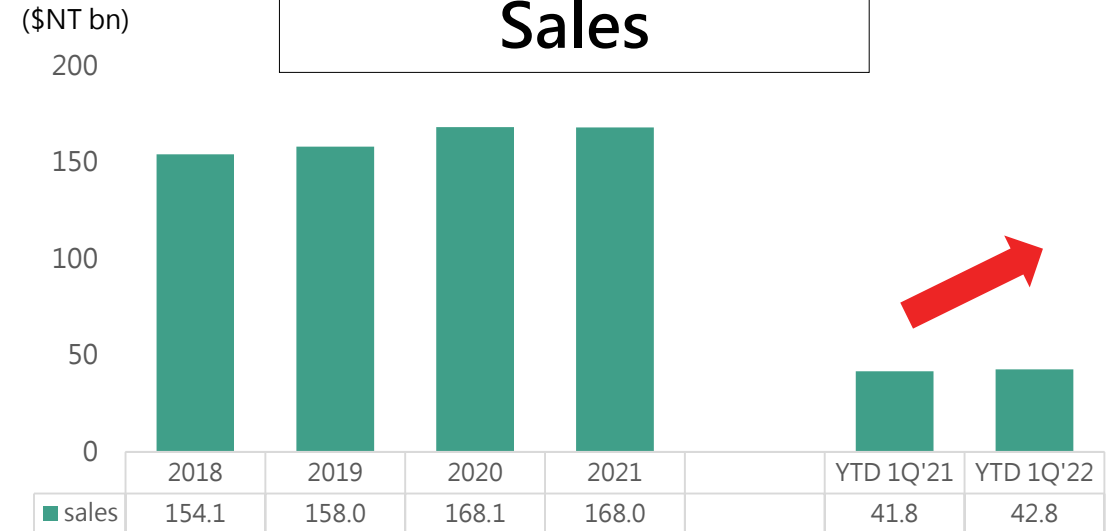
Note: In 1Q22, we recognized the impairment loss of fire incident in Carrefour Taiwan. . If we exclude one-off impairment loss and tax difference, the profit before tax is similar to last year.

Sales and Profitability (Parent)

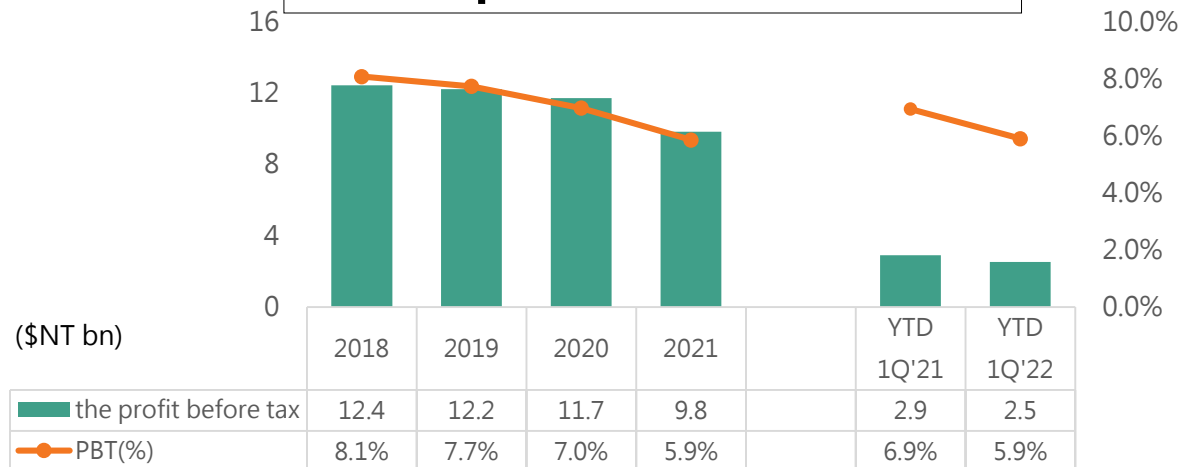
Store no. & PSD-Sales



Sales



The profit before tax



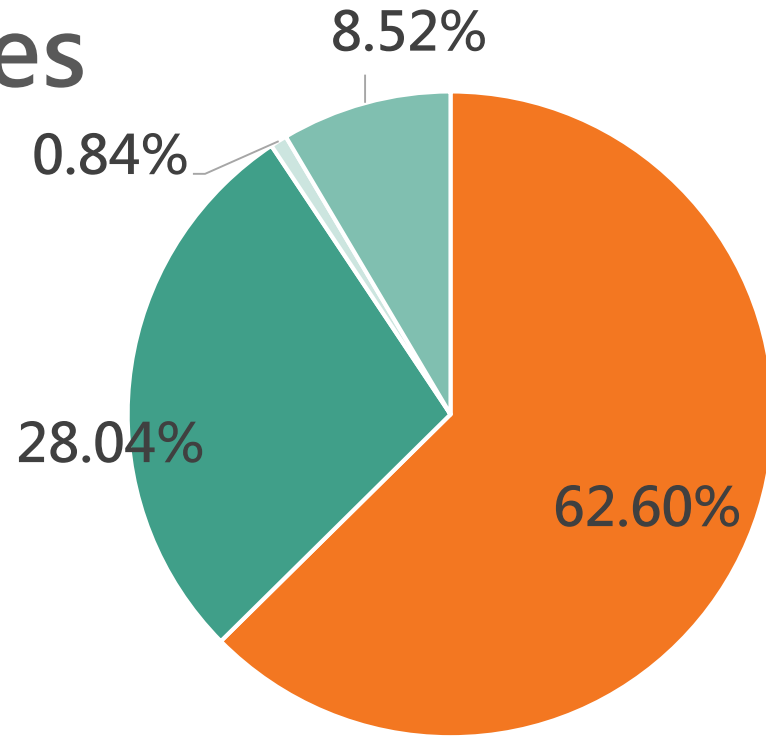
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Note: Some amount of deferred tax liabilities in 1Q21 was reversed due to the injection of overseas subsidiaries, and there is no this issue this year. And we recognized the impairment loss of fire incident in Carrefour Taiwan this year.

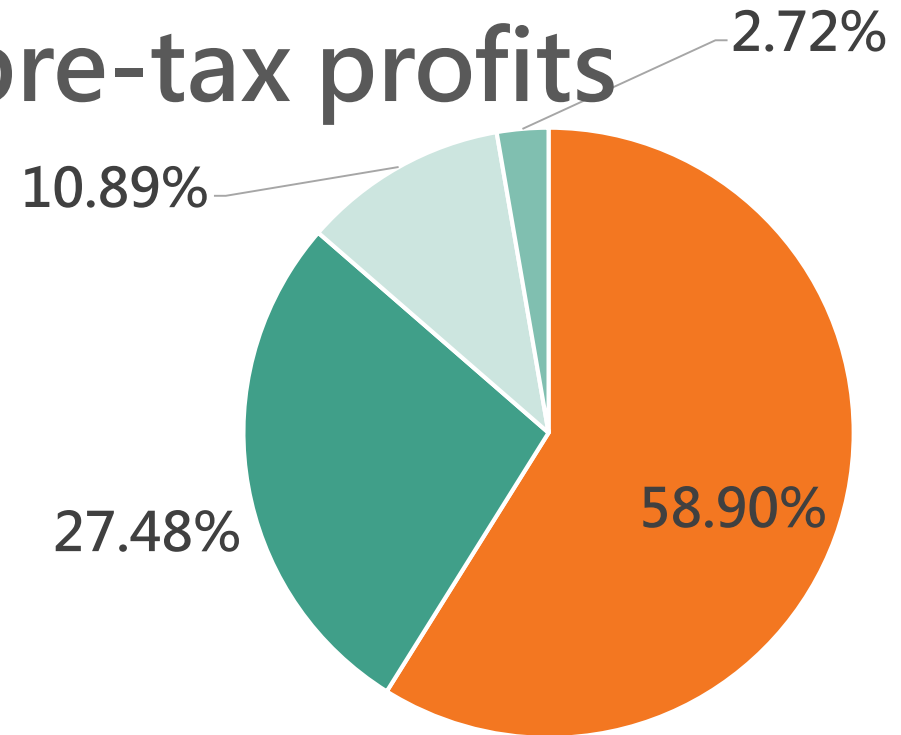
Segment Information

sales



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

pre-tax profits



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

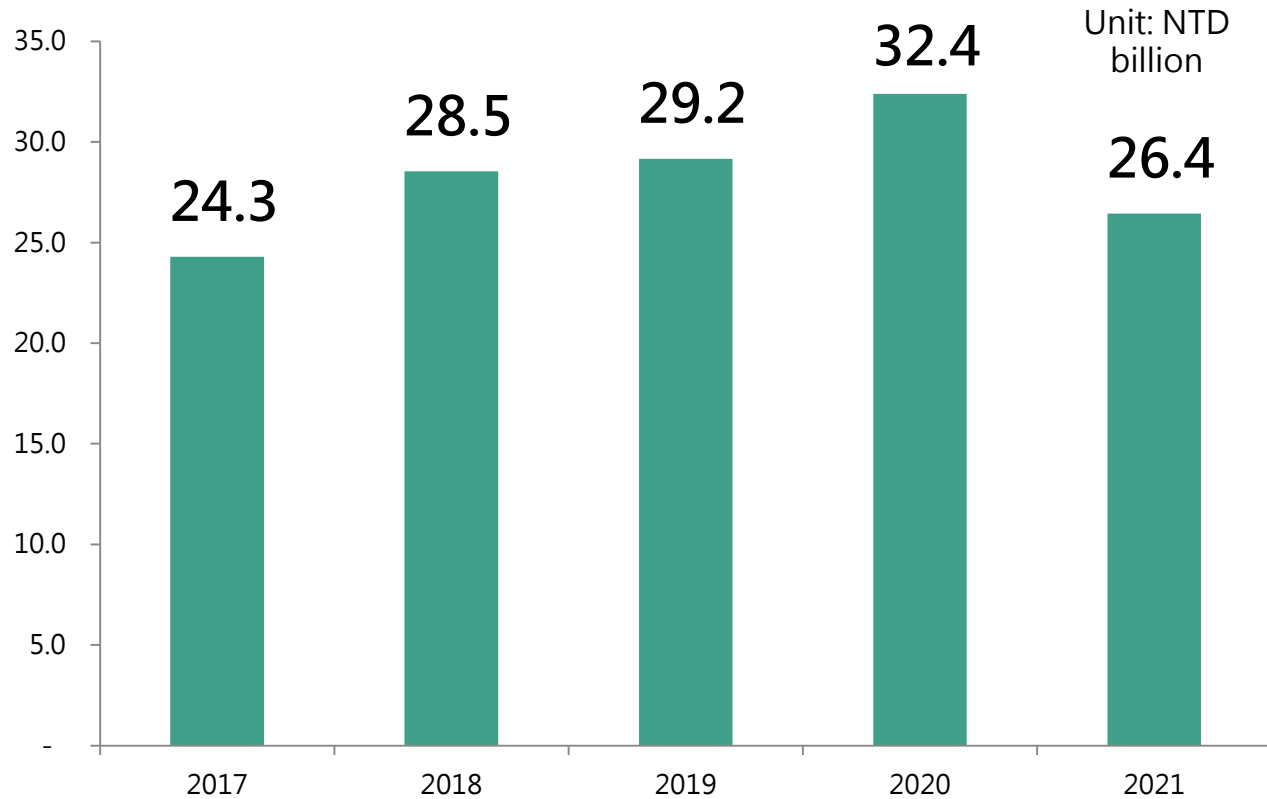
Retail business: Philippines 7-11, Cosmed, Takkyubian(Transnet), Books.com, Mech-President etc.

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

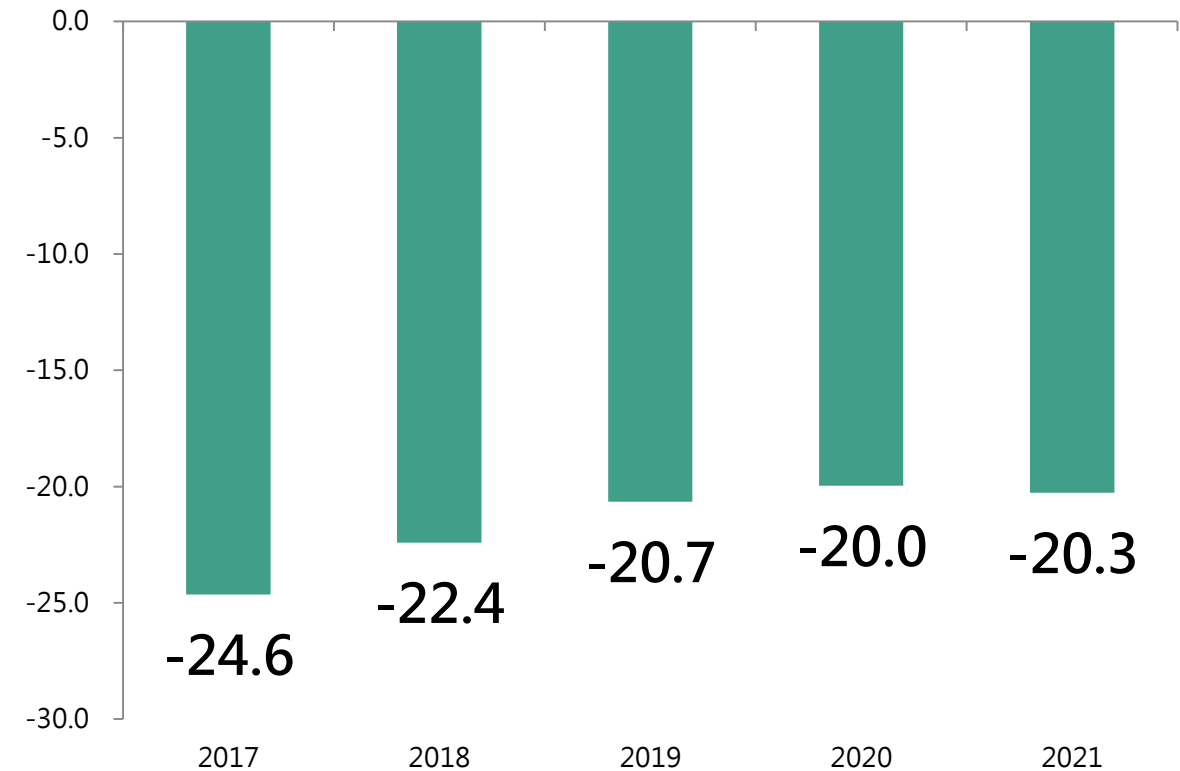
Others: China business, F&B business (e.g. Starbucks) and Support business

Steady cash flow during pandemic

Net Cash (Consolidated)

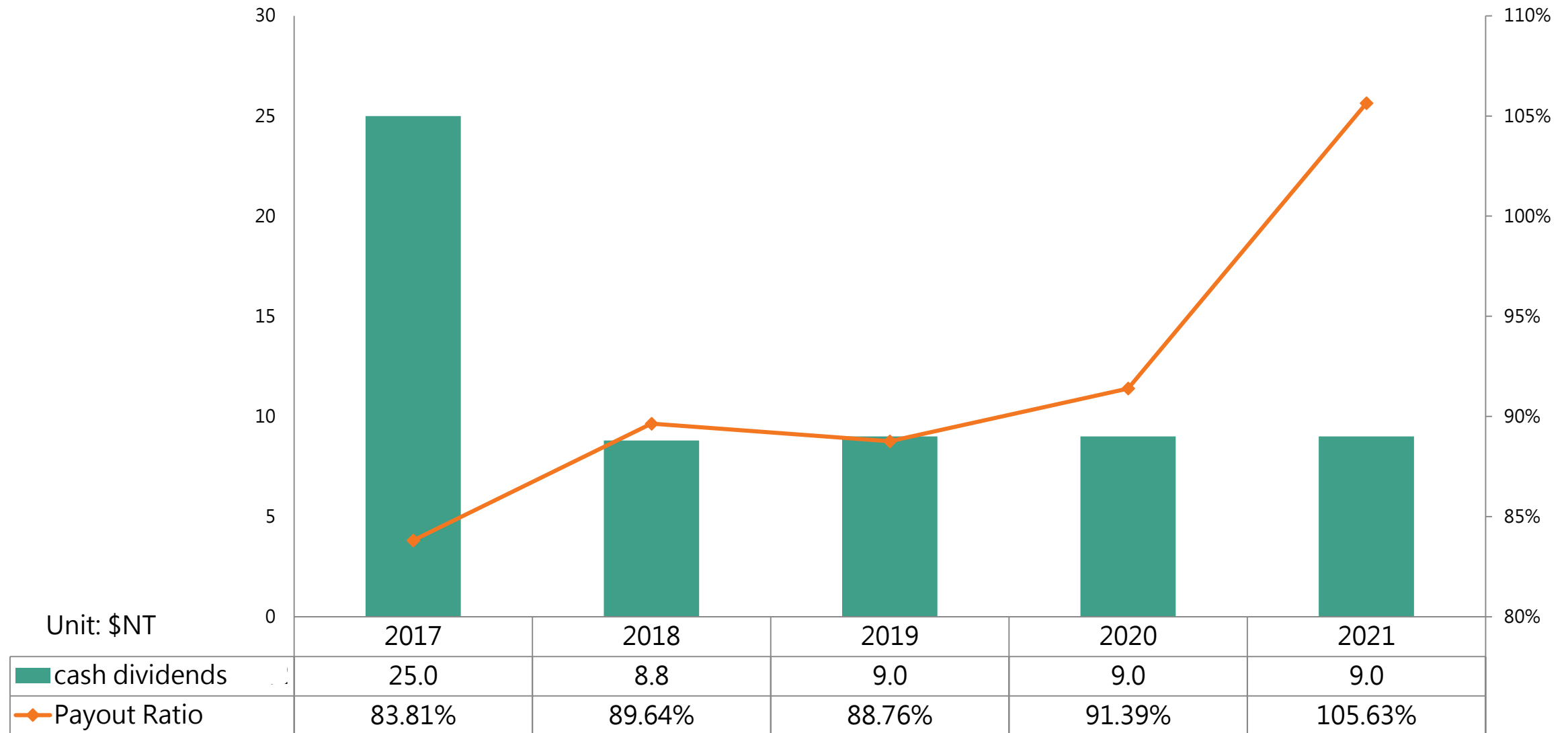


Cash Conversion Day (Consolidated)



Note: Average collection days is not applicable, as PCSC is a retail business.

Sustainable cash dividend



Note : 2021 cash dividend has been approved by AGM.

Outlook

Lifestyle-Based Service Platform That Exceeds Customer Expectations

Satellite 7-11 Stores
Generate Extra Revenues

Intelligent Vending
Machine



Delivery



E-Service



Fresh Food



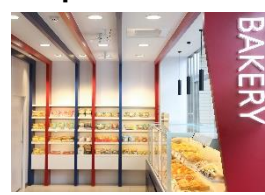
CITY CAFE



Pursue new store concepts to create endless possibilities



K.Seren



Bakery



Semeur Bakery



Books.com



Diverse Lifestyle Mall



21 Plus



Veggie Selection



Cold Stone



Mister Donuts

Synergize to Form the Largest Chain Brand

Innovation and Integration
Attract Consumers to the
Stores

Digital
Platform



OPEN POINT

行動隨時取

i預購



Social
Media

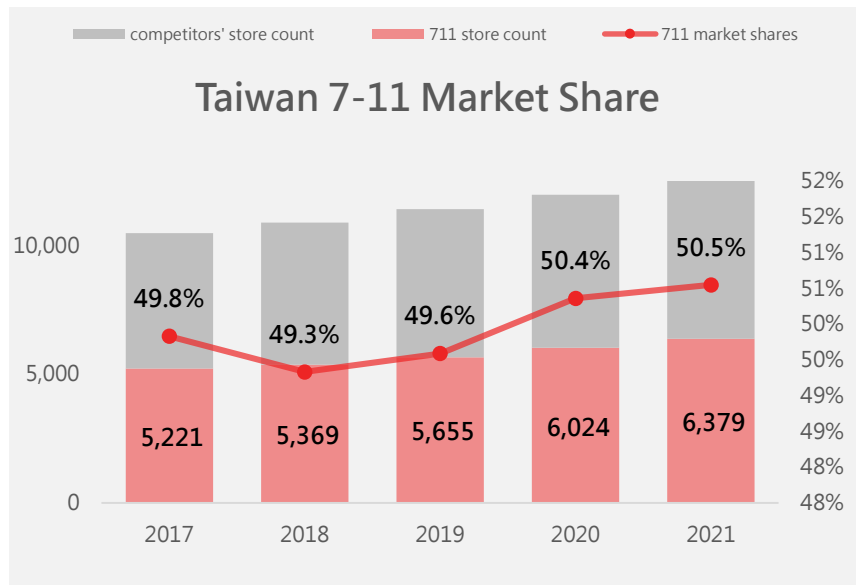
i划算



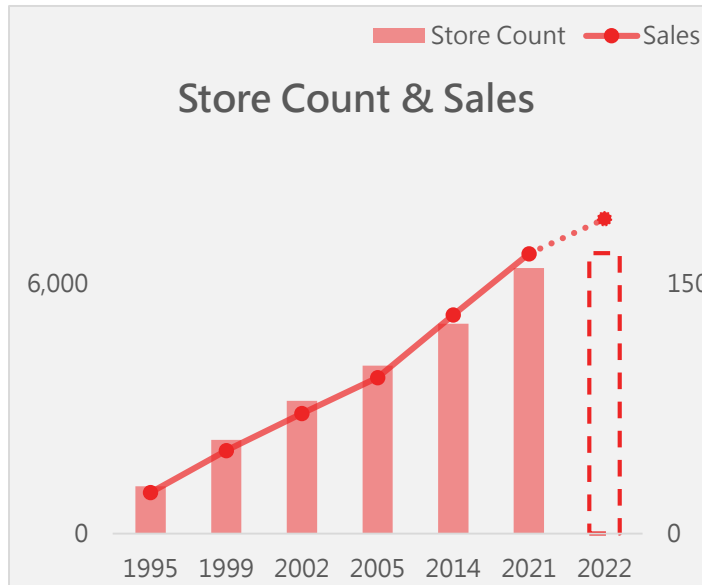
Aggressive Expansion; Strengthen the Franchise

- Aggressive expansion focusing on both quality and quantity to ensure economies of scale
- Providing full support to franchisees during Covid-19, maintaining an approximately 90% franchisee ratio to total store, solidifying the franchise system and long-term foundation

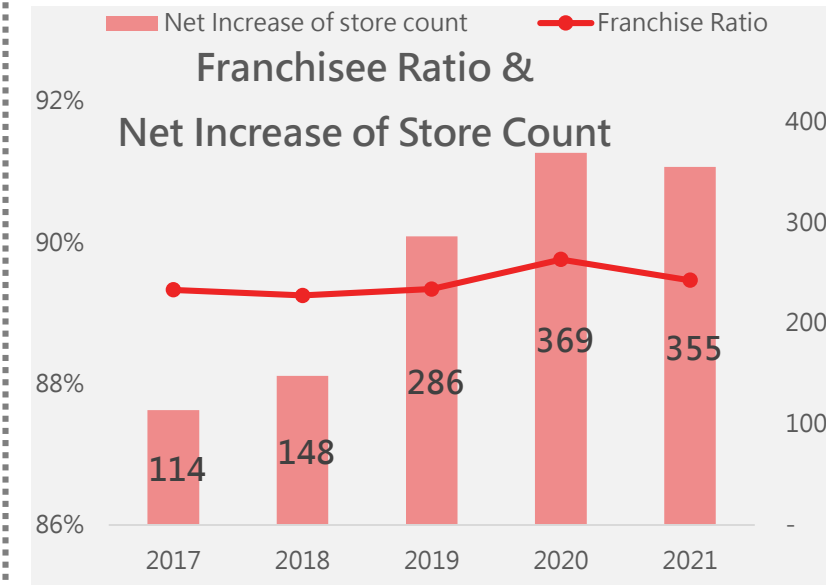
7-ELEVEN Taiwan Market Share by No. of Stores



Revenue Growth in Recent Years



7-ELEVEN Taiwan Franchisee Overview



Build Diverse Lifestyle Platforms

- Pooling internal and external resources to create group synergy
- Create opportunities for customers to look around the stores and provide 4E experience
- Provide diverse products mix to satisfy customer demands
- Introduce elements appropriate to the location and size of the stores

Experience + Education +

Entertainment + Exploration



Create Space for Unlimited Imagination

Special
Feature Store

Co-brand
Store

Lifestyle
Store

Diverse Lifestyle
Mall

Community Service
Center



Paid Business
Private Room



STARLUX Airlines



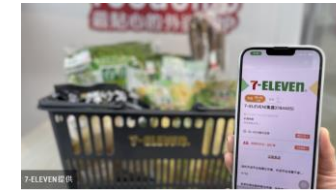
Cold Stone



Veggie Selection



Diverse Lifestyle Mall



OPEN NOW
(Expanding the scope of
fresh and frozen
products)



American Diner
Style



Detective
Conan



K.Seren



Bakery

Expanding Out-of-Store
Services

Delivery



Intelligent Vending
Machine



To be continued...

Become a Reliable Fresh Food Platform

Increase Value

- Co-branding with Michelin star restaurants
- Optimizing taste to shake the food market
- Using local ingredients to create delicious dishes



Grasp Trends

- Healthy Vegetables - Veggie Selection; Simple Fit
- Frozen Fresh-Ready to Cook
- Exotic cuisine - Scratch the itch to travel

天素地蔬

Simple Fit



Diversify

- Mobile ordering and pickup APP - Digital Marketing Tools
- iPre-order & iGroup-buying - Extending the reach of physical store shelves
- Delivery - Expanding the range of fresh food sales

OPEN POINT
行動隨時取

i預購
i划算



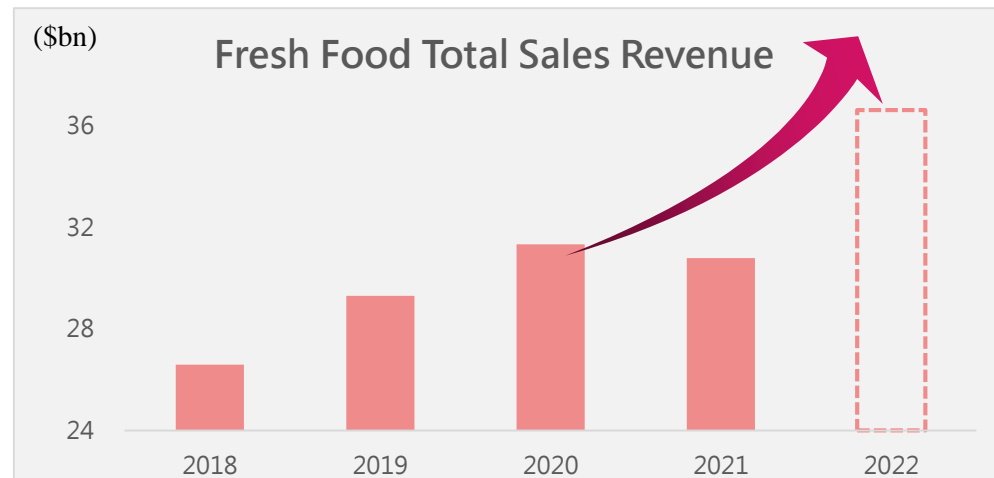
Qualify controlled by labs



CAS Certification
Professional Vegetarian
Production Facility



Safe and Delicious
Social Kitchen



Shape CITY CAFE Brand Culture

2004

Launch of
CITY CAFE

2015

Revenues
10 Billion +



2020

Mobile
Ordering and
Pickup Service

2021

Revenues + Cloud
15 Billion +

Grasping digital opportunity



- ✓ Steady growth in cloud performance and improved conversion rate
- ✓ Precision marketing to accelerate the consumption
- ✓ Launch subscription plan to increase stickiness

Cultivate Member Loyalty

Consolidating existing customer base and develop new customer segments

- ✓ Traffic & profit maker
- ✓ Second growth curve: CITY PRIMA
- ✓ Structure innovation: oatmilk latte, etc.



Enhance Brand Value



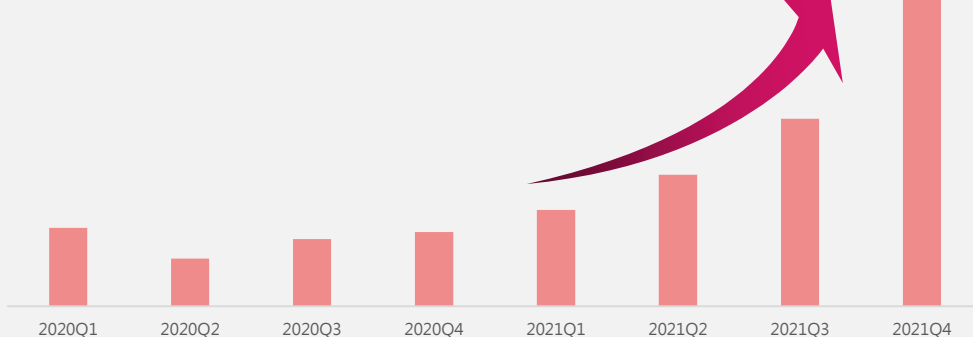
Promoting out-of-store services

- ✓ Intelligent Coffee Machine robust deployment
- ✓ iPre-order: sale of coffee paraphernalia
- ✓ Delivery: expand the sales range



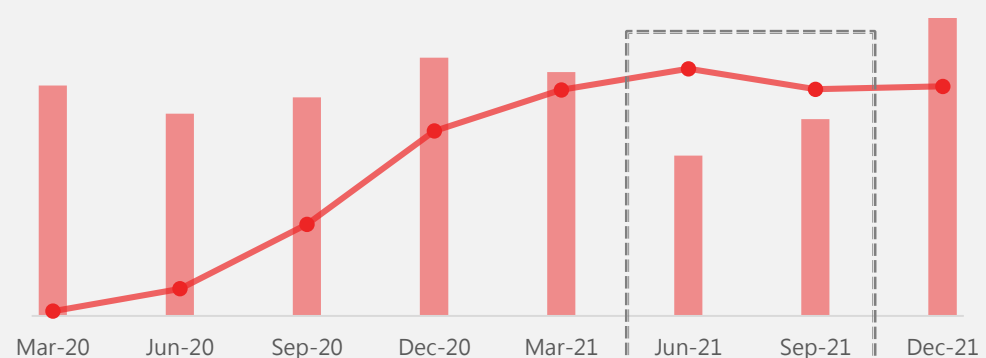
Generate Extra Revenues

CITY PRIMA Sales



CITY CAFE quarterly sales
Cloud CITY CAFE amount

WFH Period During Covid-19



New Businesses Expansion; New Highs of Commission

ES Transaction
per year

300-400
million

Collection Transaction
per year

300-400
million

Further Dedication in Core Businesses

- ✓ Upgrade of self-operated platform services (MyShip)
 - Ranked No. 2 in all parcels
 - International shipment
 - Fast delivery and quick collection service
- ✓ Cold-chain in-store pickup service (B2C, C2C)
 - The second growth curve

Expand the Scope

- ✓ Markets of migrant workers
 - Remittance, payment and other integrated services
- ✓ Epidemic New Life Movement
 - Vaccine Appointment
 - Stimulus vouchers; extra-bonus vouchers



Resource Integration

- ✓ Logistics integration, transportation capacity enhancement
- ✓ Home-to-store delivery service by Transnet
- ✓ Systematized data analysis

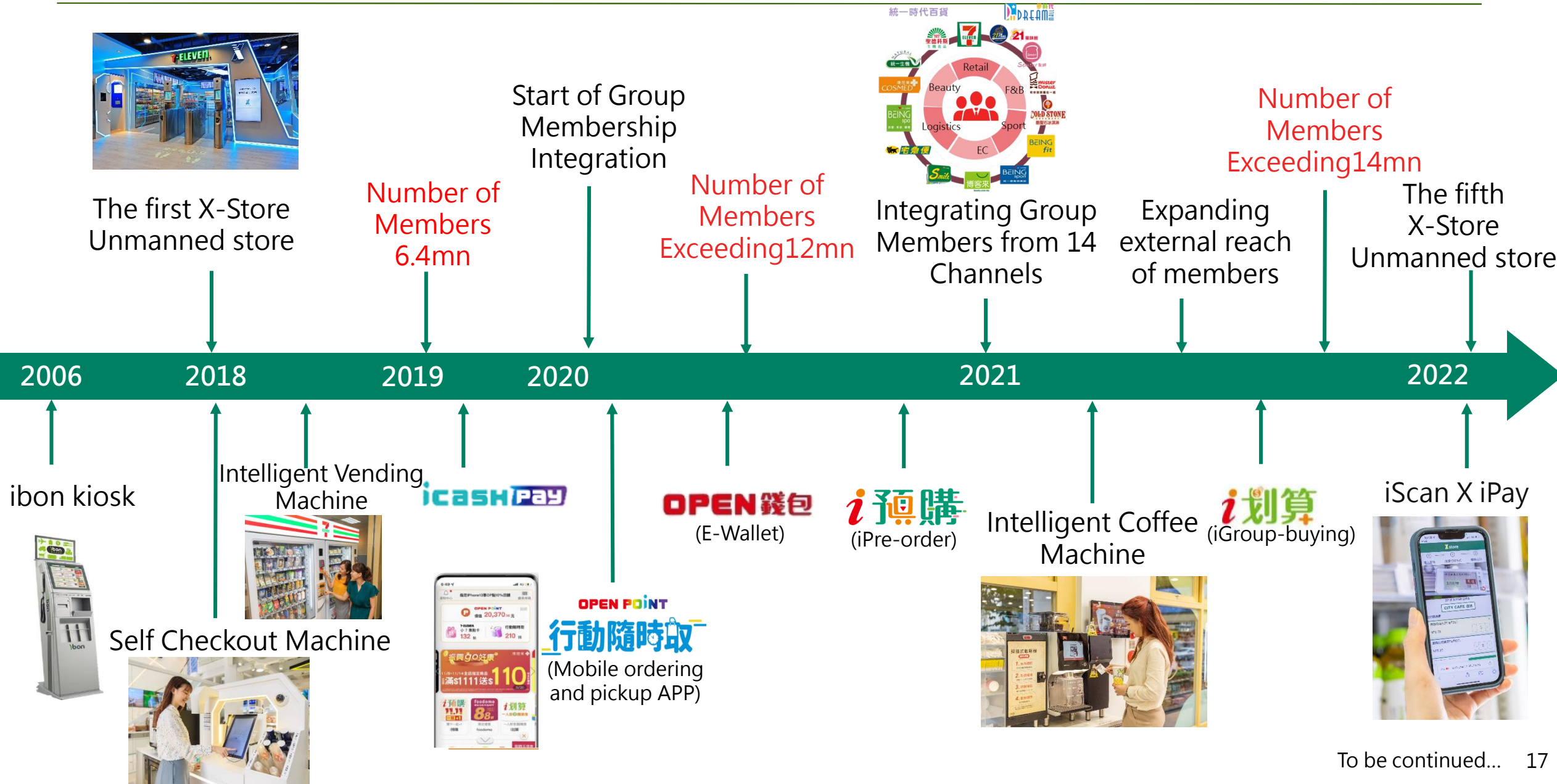
E-Service Commission Revenue

2021 Sales YOY
+ 25~30%

2017 2018 2019 2020 2021

Note: Shopee started to cancel free-shipping in 2018.

Digital Evolution; Innovation Breakthroughs



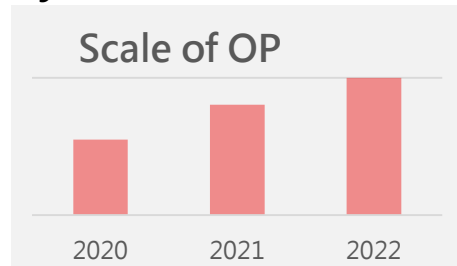
Create Comprehensive Digital Service Platform

OPENPOINT *Ecosphere*

Member Contribution UP

Precision marketing

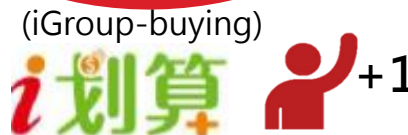
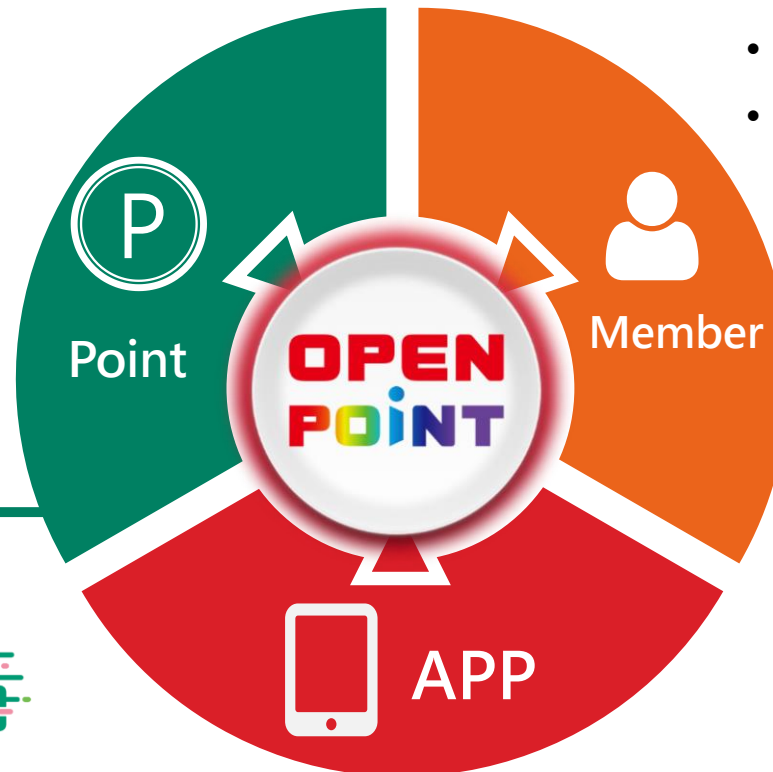
- Expand external partnerships to boost traffic
- Point monetization, circular economy circle



- Product development
- Subscription plan



- CVS in EC
- Store shelf extension
(Lunar New Year's dishes, home appliances, consumer electronics, etc.)



- Group buy +1
- Remote area shopping service

- Member segment label
- Operation of customer data center to create value



2021 Member Contribution

50% ↑

2021 Active Member%

40~45%

Pre-order + community platform

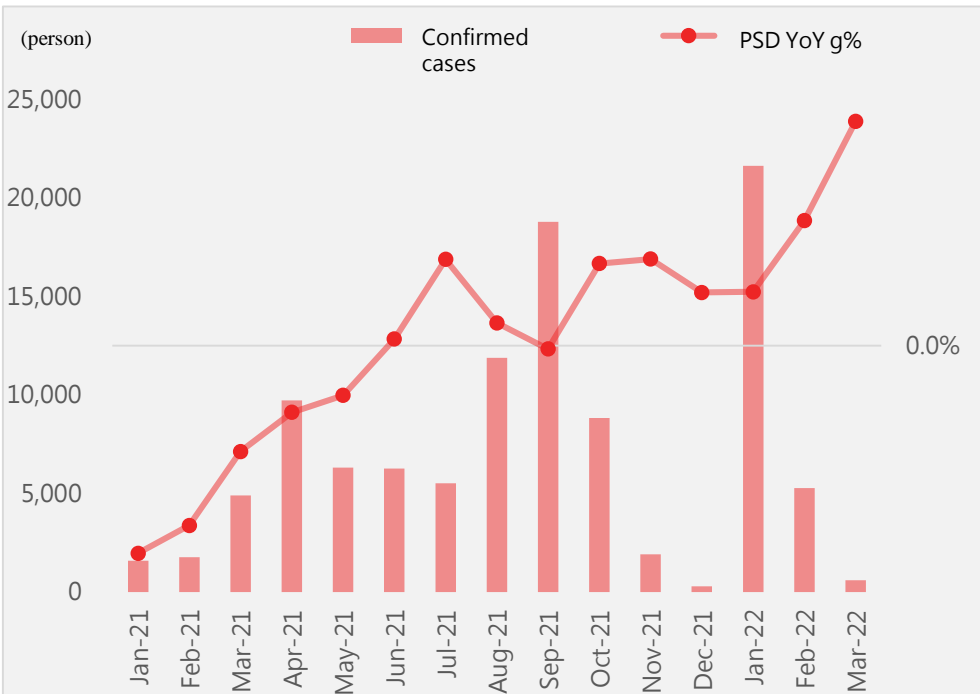
- Boost usage through digital tools
- Continues to develop new features and optimize the experience



7-ELEVEN Philippines Recovers Steadily in Post-Pandemic Era

Store adjustment tailored to business district

- 3,073 stores in 2021, with 60% ↑ market share and holding at No. 1; continue to roll out stores in 2022
- PSD-sales resumed positive growth in 2H2021 through operating structure adjustment under Covid-19



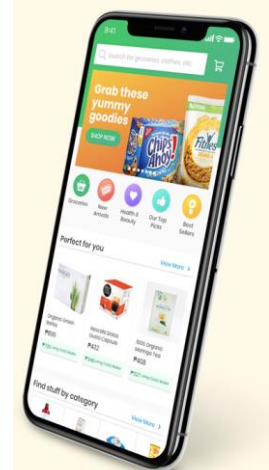
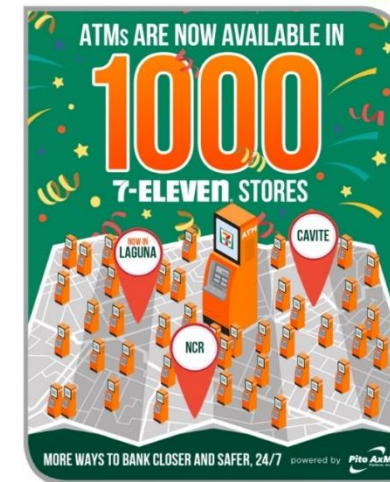
Diversify products to optimize portfolio

- Focus on fresh food, coffee, grocery categories
- Expand ATM services to provide convenience
- Capitalize on the business opportunities from presidential election
- Expand logistics and warehousing to build a complete supply chain



Mastering digital tools and creating digital ecosphere

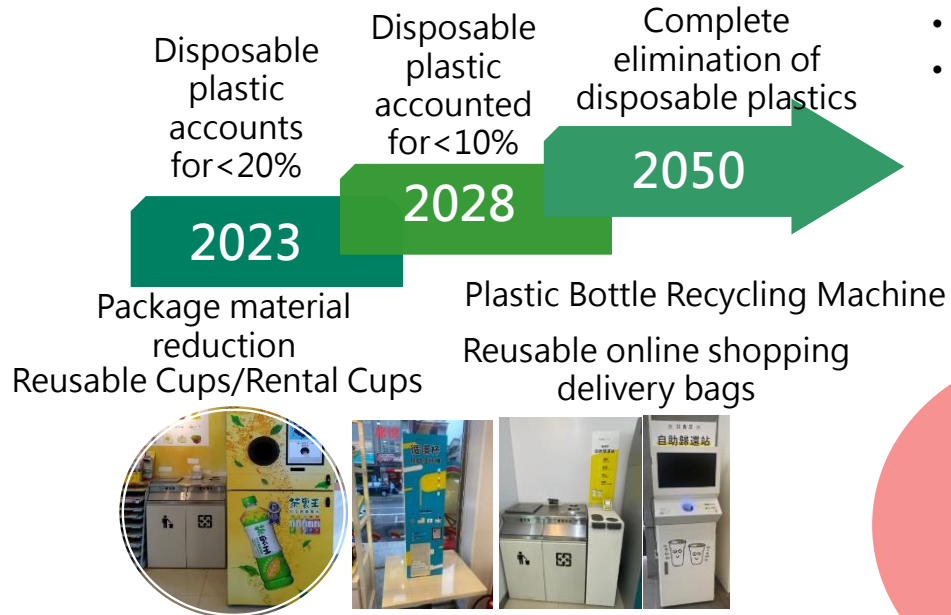
- Continuous optimization of APP features
- Expansion of CLIQQ grocery platform
- Delivery partnership to create out-of-store performance
- Increase in both number of E-Wallet users and their usage



ESG: Sustainable Earth + Inclusive Society + Happy Corporation

2021: Start of the Sustainability Era at PCSC, Incorporating Sustainability into Our Daily Operations

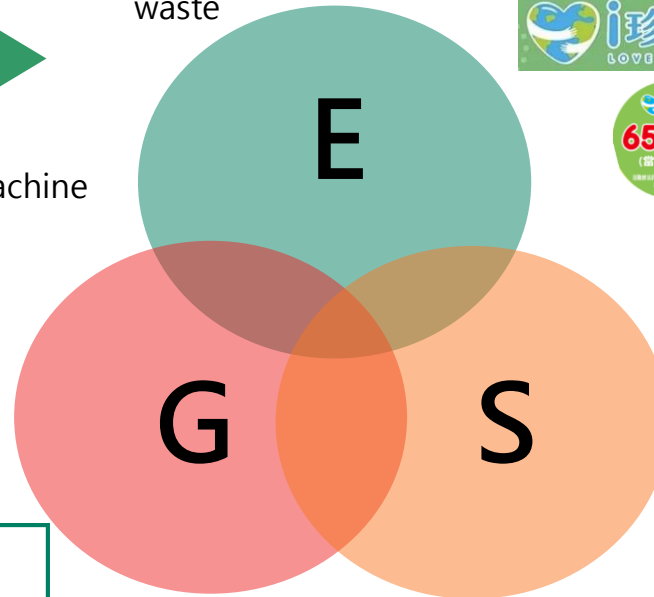
Decrease the use of plastics



- Selected as a constituent of DJSI Index for the third consecutive year
- Ranked in the top 5% for the seventh consecutive year in Taiwan Corporate Governance Evaluations System
- FTSE4Good, MSCI ESG Leaders Indexes, etc.

Strengthen food waste management

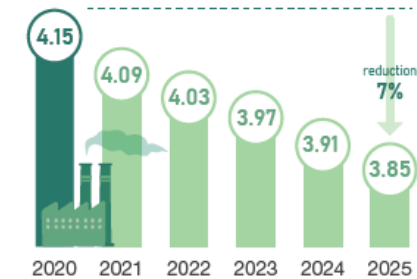
- Launch Leftover iLove Food Map
- Reduce waste; recycling of food waste



Reduce carbon emissions

- Launch TCFD and CDP surveys
- ISO 50001, ISO 14064 certification

GHG Intensity Reduction Path Map



Focus on community issues

- One store in one township, reaching out to remote areas to meet the demand
- Online-offline collaboration; OPENPOINT App charity donation
- DIY activities extend to homes, keeping children company through the pandemic



The End