

President Chain Store Corp.

2912 TT



2024 Q1 Highlights and Results

Historical Financial Results

Unit: NTD billion	2019	2020	2021	2022	2023	YOY
Revenue (Company Only)	158.0	168.1	168.0	182.9	197.7	8.1%
Revenue (Consolidated)	256.1	258.5	262.7	290.4	317.0	9.2%
Profit attributable to owners of the parent	10.5	10.2	8.9	9.3	10.6	14.4%
EPS (NT\$)	10.14	9.85	8.52	8.93	10.21	14.4%

- The increase in revenue and profit in 2023 was primarily attributed to the expansion of stores and the rise in PSD-sales at 7-ELEVEN Taiwan, along with the consistent growth of subsidiaries such as 7-11 Philippines, Starbucks Taiwan, and Cosmed.

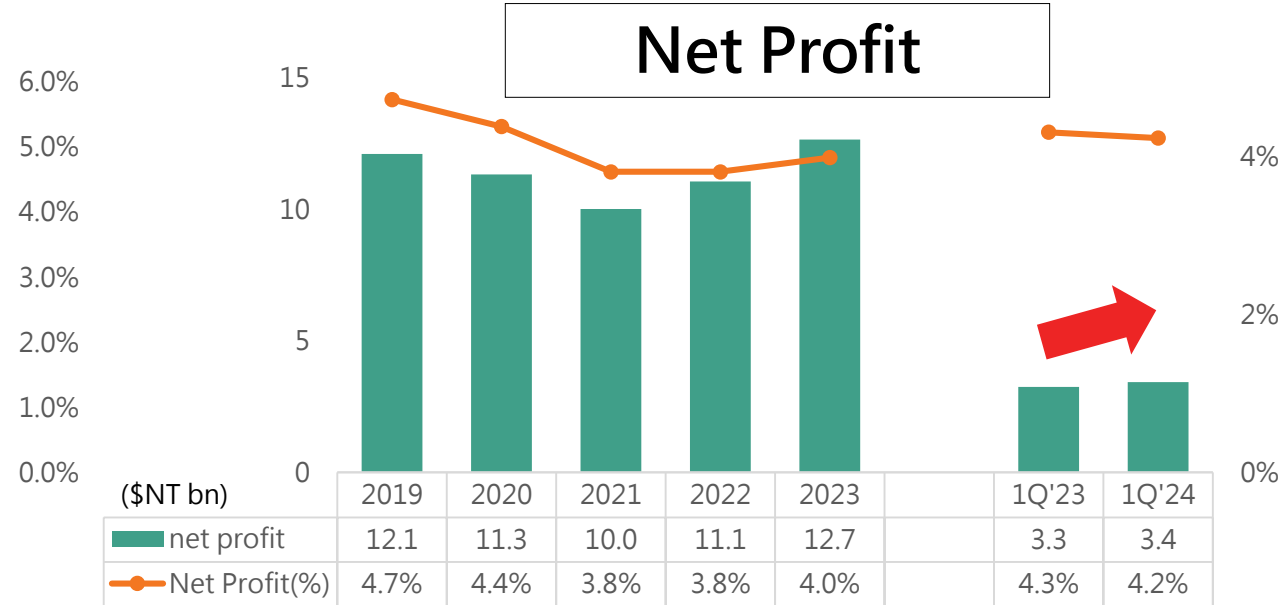
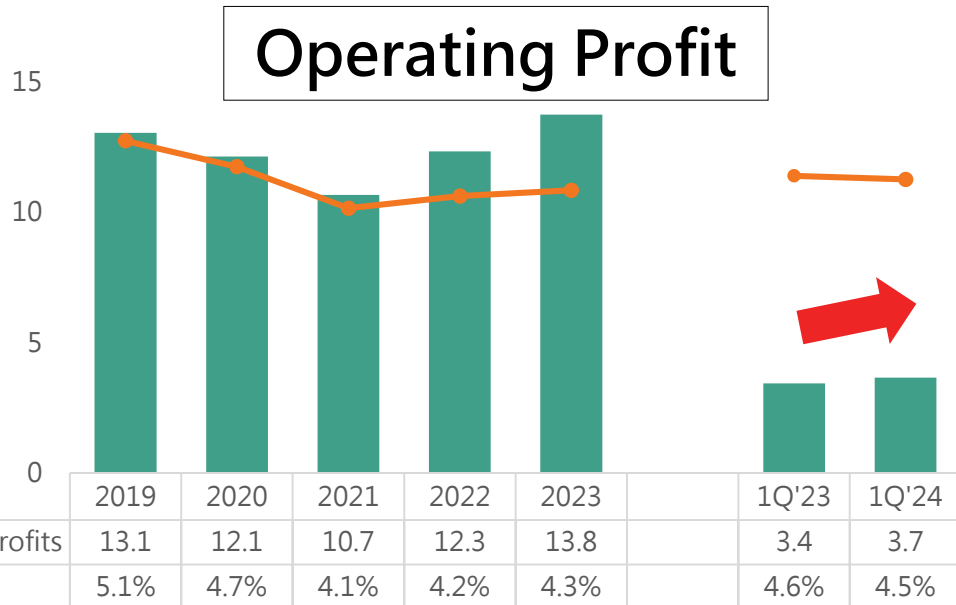
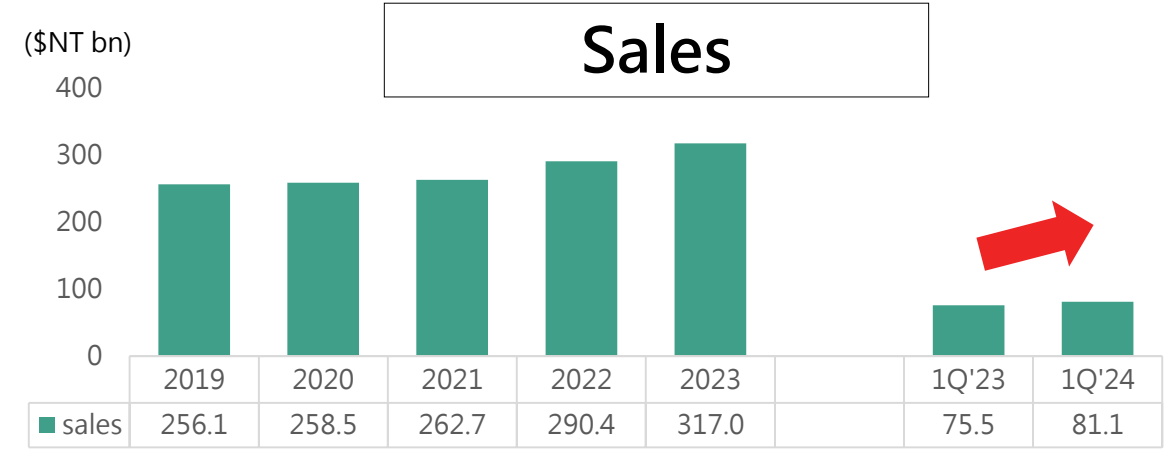
2024 First Quarter Financial Results

Unit: NTD billion	1Q24	1Q23	YOY
Revenue (Company Only)	50.1	47.1	6.4%
Revenue (Consolidated)	81.1	75.5	7.4%
Net Profit (Consolidated)	3.4	3.3	5.6%
Net Profit attributable to the parent company	2.9	2.8	4.4%
EPS (NT\$)	2.83	2.71	4.4%

- The revenue and profit in 1Q24 continuously increased. The primary drivers included Taiwan 7-11, Philippines 7-11, COSMED, Transnet, and others.

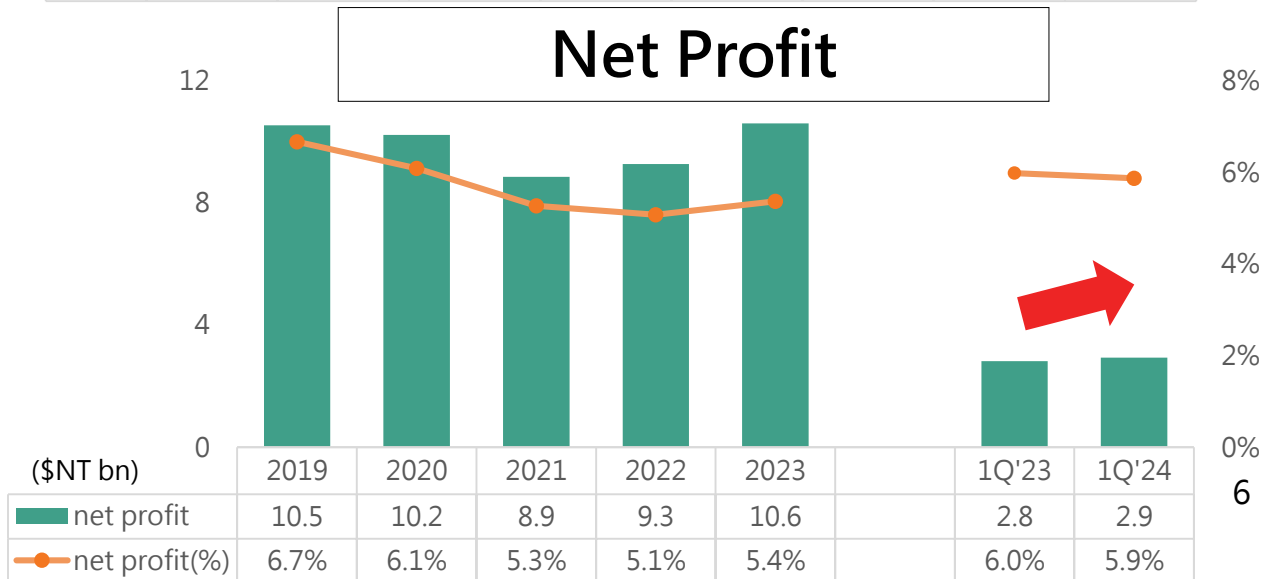
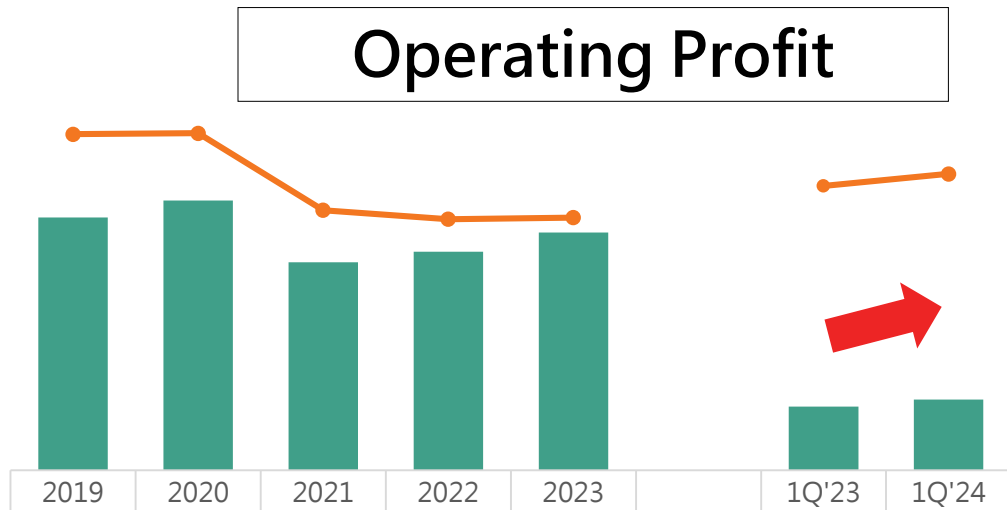
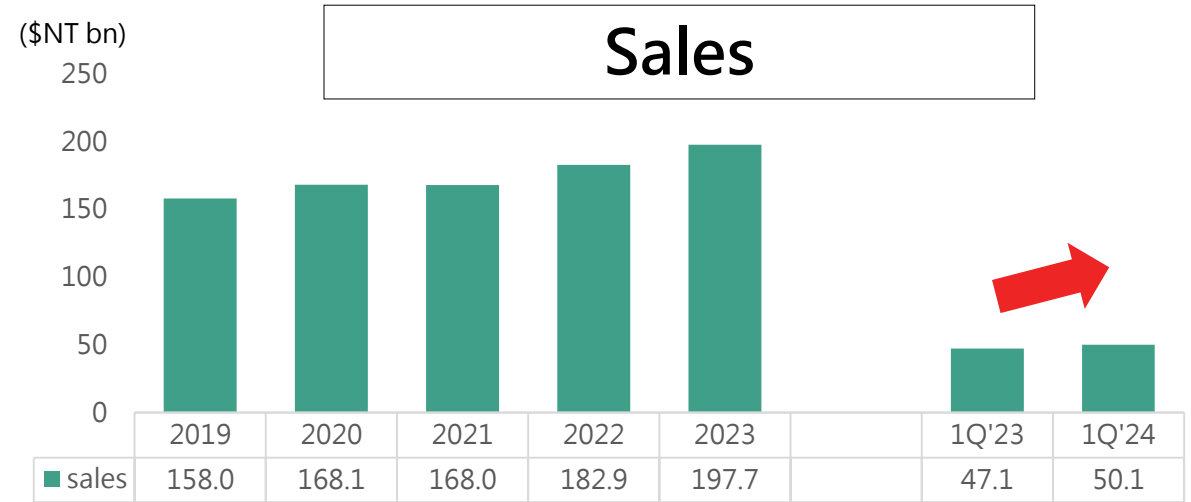
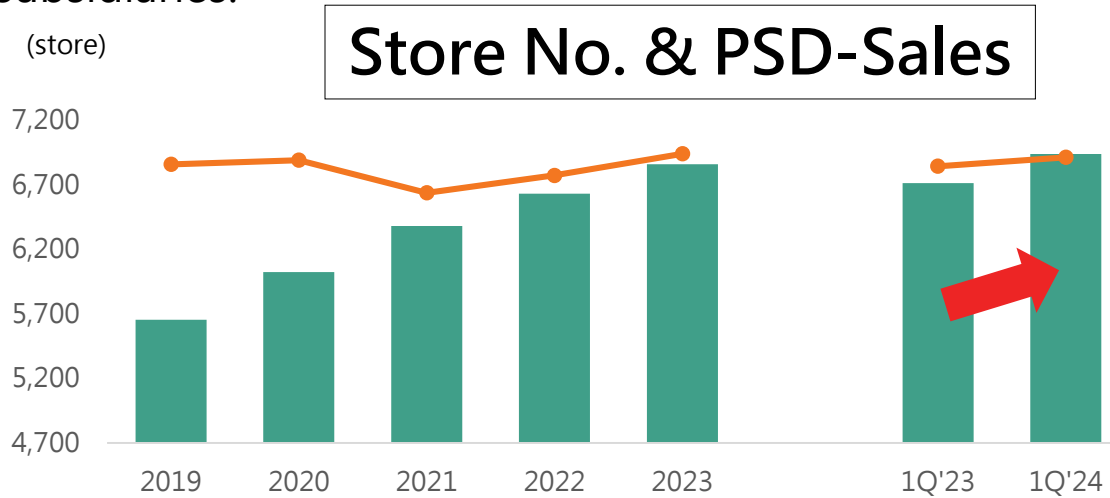
Sales and Profitability (Consolidated)

- In 1Q24, consolidated revenue surged by 7.4%, primarily driven by contributions from 7-ELEVEN Taiwan, 7-ELEVEN Philippines, COSMED, Transnet, etc.
- The growth in operating profit, combined with increased interest income from overseas holding companies, led to a 5.6% growth in consolidated net profit after tax.



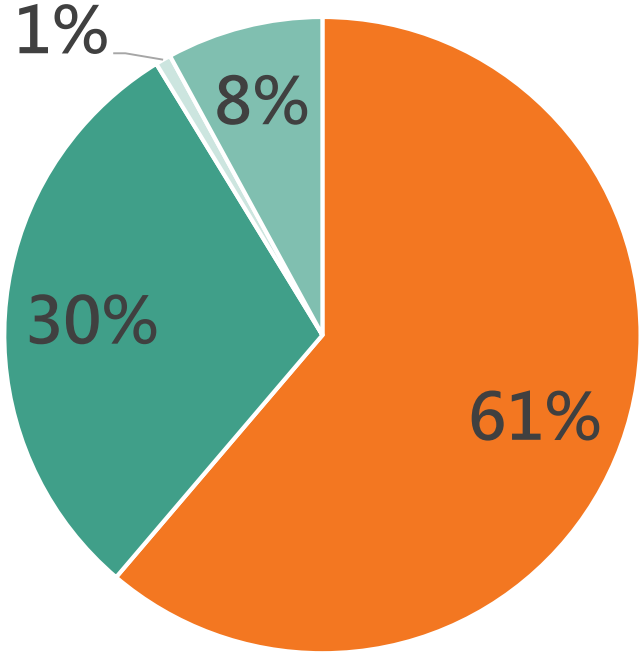
Sales and Profitability (Parent)

- Driven by fresh food, CITY CAFE and beverage, the PSD-Sales of 7-ELEVEN Taiwan increased. And with store expansion, the total sales can be enhanced.
- The net income raised thanks to the increase of 7-ELEVEN Taiwan's operating margin, as well as better performance from subsidiaries.

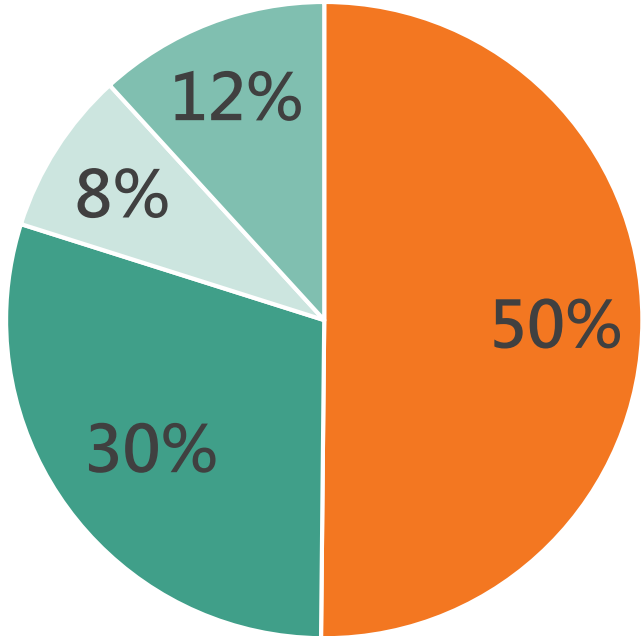


Segment Information

sales



pre-tax profits

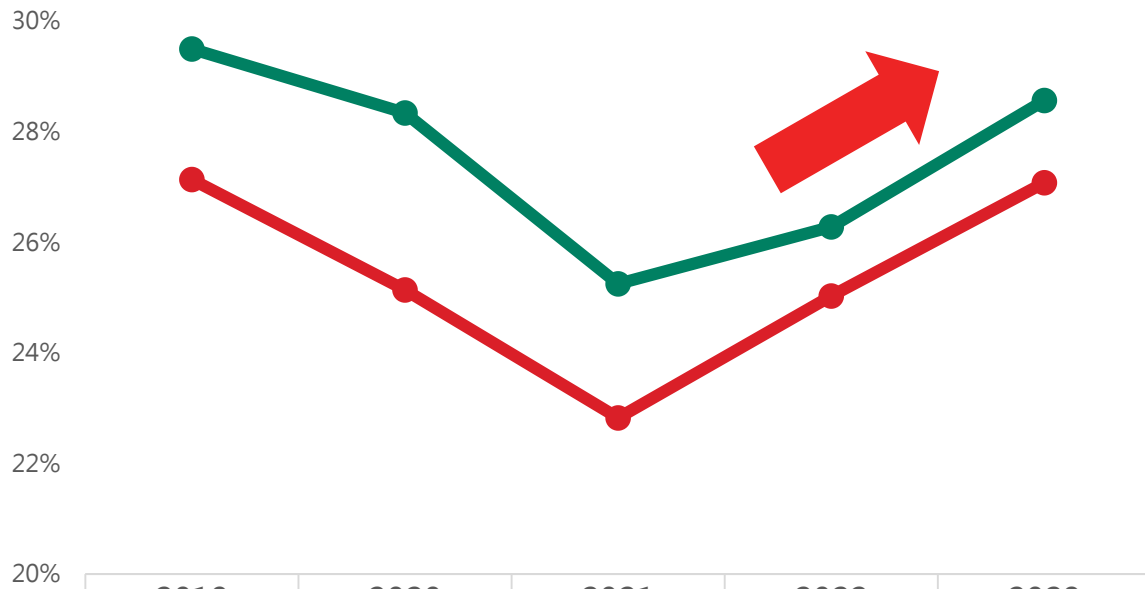


■ 7-ELEVEN Taiwan ■ Retail ■ Logistics ■ Others, Adjustment and elimination ■ 7-ELEVEN Taiwan ■ Retail ■ Logistics ■ Others, Adjustment and elimination

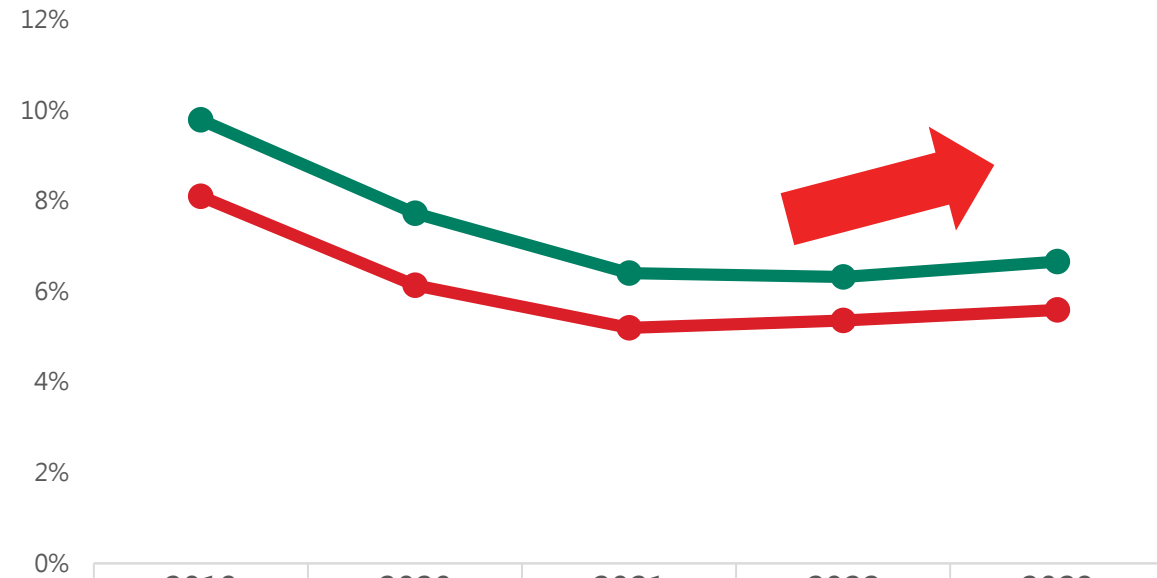
Retail business: Philippines 7-11, Cosmed, Takkyubian(Transnet), Books.com, Mech-President etc.
Logistics: Retail support, Cold Chain, Wisdom distribution etc.
Others: China business, F&B business (e.g. Starbucks) and Support business

ROE & ROA

ROE



ROA

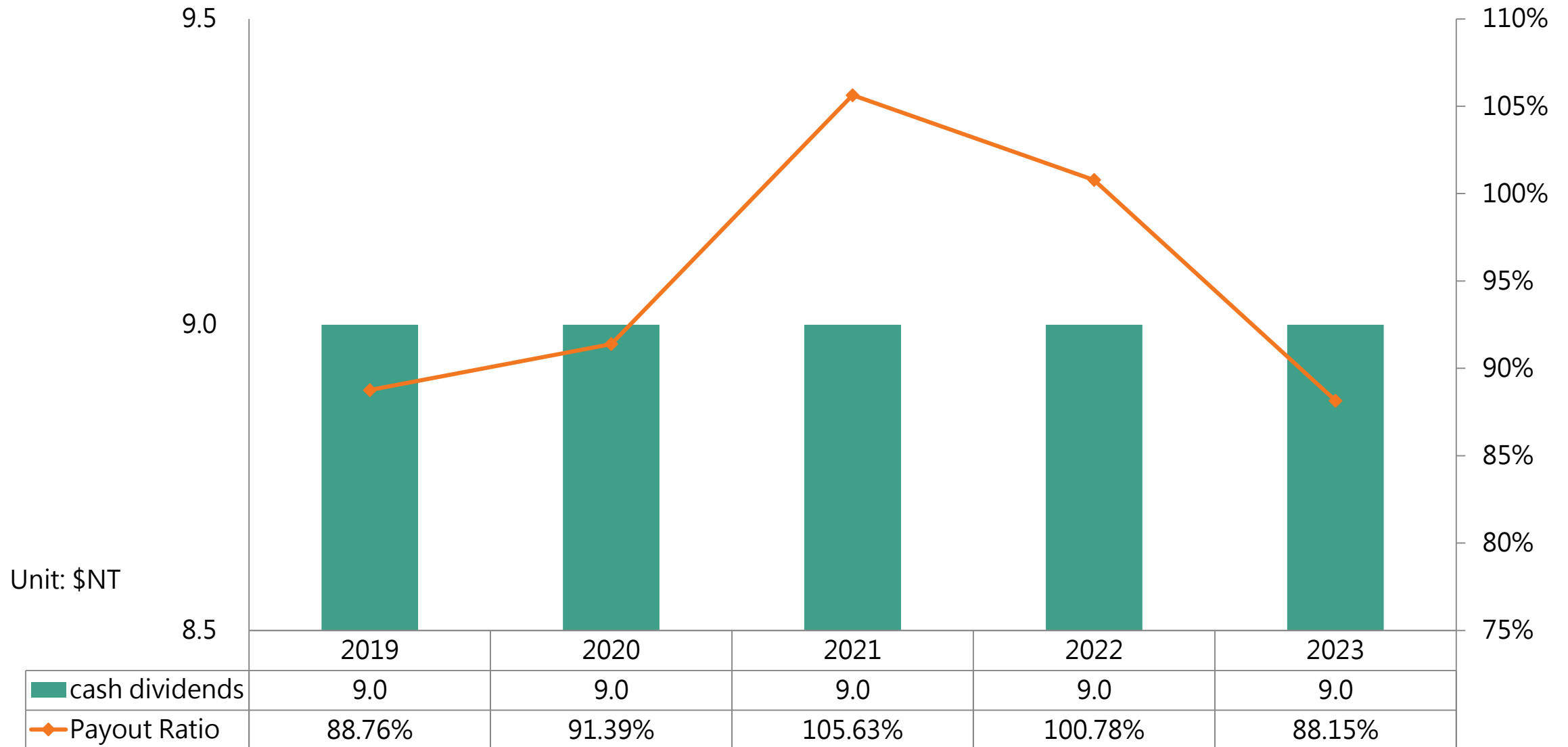


	2019	2020	2021	2022	2023
Parent	29.50%	28.34%	25.25%	26.29%	28.57%
Consolidated	27.14%	25.14%	22.83%	25.03%	27.08%

	2019	2020	2021	2022	2023
Parent	9.79%	7.73%	6.41%	6.32%	6.66%
Consolidated	8.11%	6.14%	5.20%	5.36%	5.60%

Note: ROA was influenced by the growth in total assets, driven by ongoing store expansion (leading to higher levels of fixed assets, right-of-use assets) and long-term investment, etc..

Sustainable Cash Dividend



Note : 2023 cash dividend has not been approved by AGM.

Outlook

Key Strategies for 2024

Offline-Online Integration

1. Quality and Quantity of Stores

- Continue store expansion with market share > 50%
- Diverse store modules
- Regional integration and improved quality
- >90% franchise stores



2. Strengthen Differentiators

- Strengthen fresh food and CITY CAFE
- Collaborations and co-branded products
- Differentiation and trends (Healthy food, fresh groceries, global purchasing, pets, etc.)



4. Digital Platform Integration

Points Double-digit growth in points



Members >17mn Members
Strengthen data use

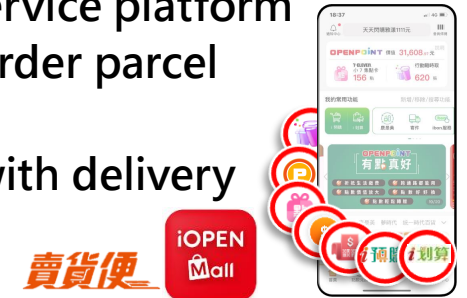


App Members contribute > 50% to revenue



3. Online Business Opportunities

- iPre-order + iGroup-buying
- Develop E-Service platform and cross-border parcel services
- Integration with delivery services



A Lifestyle Services Platform Beyond Customer Expectations

Expand Market Leadership Advantage

Steady Expansion, Balance Quality and Quantity, Maintain Franchise Partner Relationships



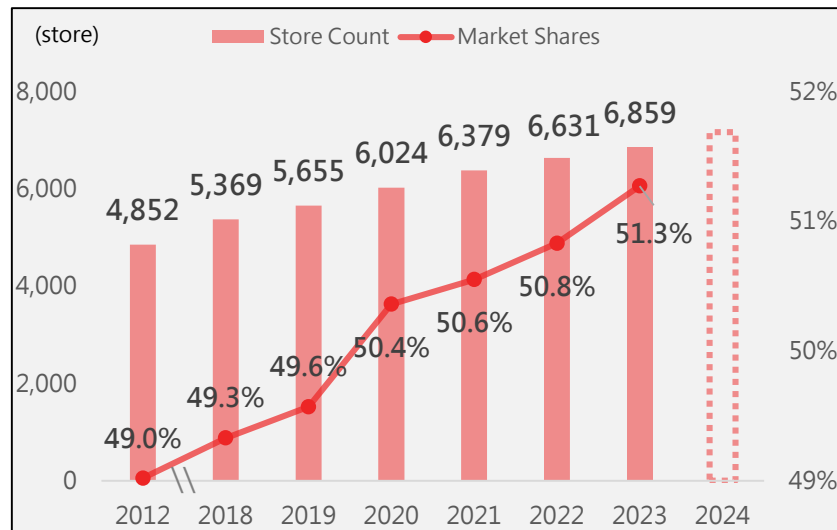
Respond to consumer needs to become a lifestyle services platform that customers rely on



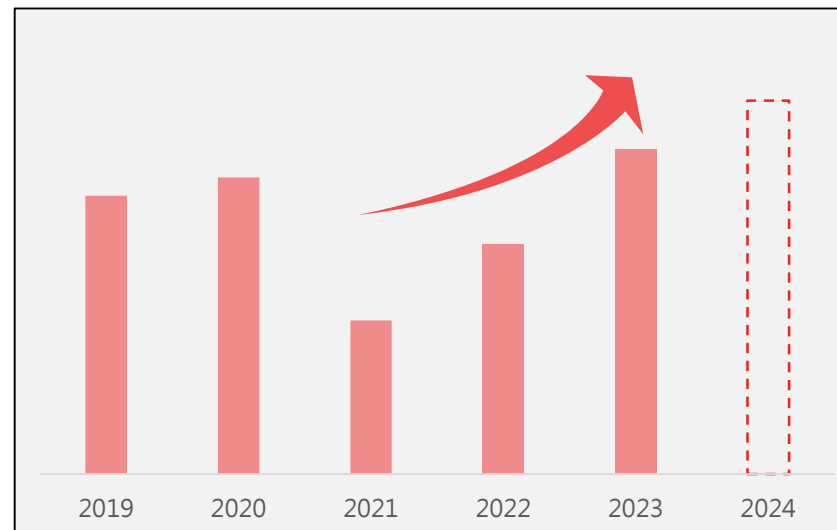
- Plan locations in important commercial districts and regional integration
- Focus on quality AND quantity to maintain revenue

- Encourage franchisees to have multiple stores for stable operations
- Maintain relationships with franchise partners for sustainable growth

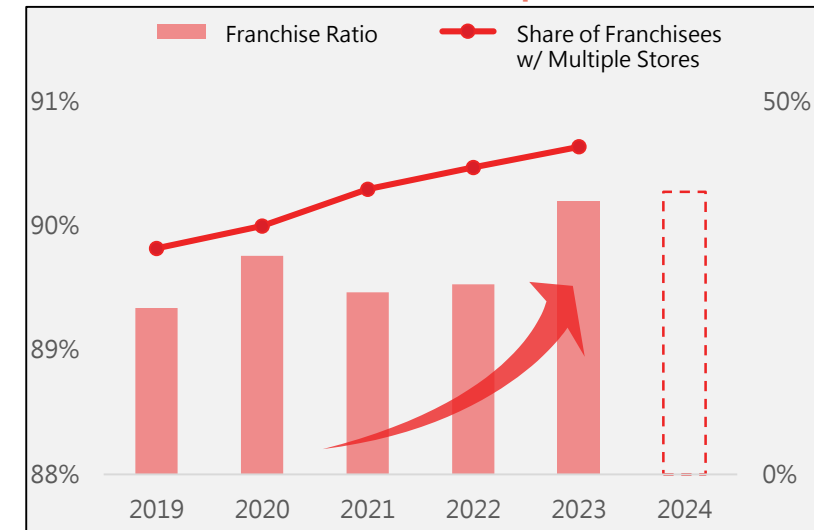
7-ELEVEN Taiwan Store Count and Market share



7-ELEVEN Taiwan PSD-Sales



7-ELEVEN Taiwan Franchise Ratio and Share of Franchisees w/ Multiple Stores



Satisfy Lifestyle Needs for All Customers

Diverse Store Types to Fit All Needs



All-day service for every township in Taiwan

All-Day Service in Every Township

IP Collaboration Stores



Peanuts, Sanrio, One Piece, Bugcat Capoo, etc.



Food Service

7-ELEVEN

Technology Concept Stores



Image tracking sensors, AI, IoT, phone self-service checkout, etc. (seventh unmanned store)



Diverse Lifestyle Structure

ESG & Sustainability



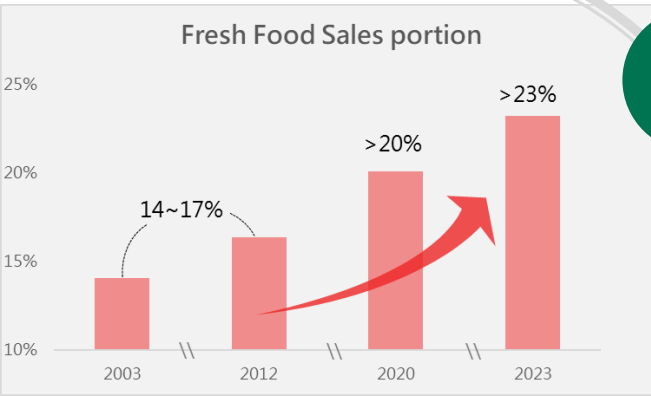
EV Charging stations, Intelligent Automatic Recycling Machine, solar panels, etc.

Mister Donut (donuts), COLD STONE (ice cream), 21 Century (roast chicken), Semeur (bakery products), Veggie Selection, Juice Bar, etc.

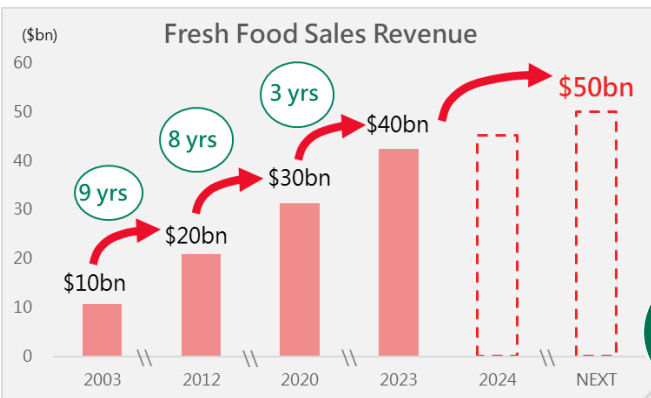
Pets, OPEN!MART (fresh groceries), K. Seren (cosmetics), Books.com (books), etc.

Build A Food Platform for Everyday Life

Customer Still Eat Out and Want Safe and Delicious Fresh Food



Next Milestone



1

Building brands and creating star products

- Star Rated Cuisine: Co-branding for increased value
- Veggie Selection: Category differentiation and green eating
- Ohlala, etc: Exotic and amazing tastes



2

Seizing trends and meeting consumer needs

- Healthy, fiber-rich, low-GI
- Simple-to-prepare dishes for an extra course on the table
- Putting traditional classics on fresh food



3

Improving quality and taste

- Increased production yield and longer expiration periods
- Rigorous management to ensure food safety comes first



Expand the CITY CAFE Brand

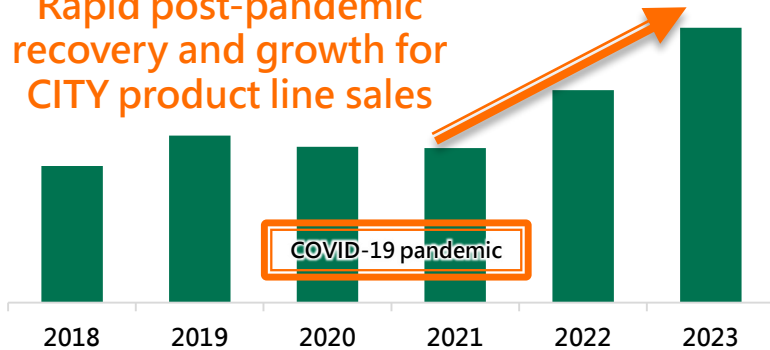
Higher Quality and More Flavors to Appeal to Diverse Customer Groups

CITY CAFE

- Continue upgrading beans and machines
- Expand customer base: flavored drinks, rich milk lattes...
- Diverse sales channels to drive revenue



Rapid post-pandemic recovery and growth for CITY product line sales



CITY PRIMA

- Improve brand value
- Marketing with master baristas
- CQI* certification



CITY TEA

- High-quality pure tea: ITQI* certification and awards
- Tea extractors in 3000 stores
- More diverse products; in-store tea stalls
- Equipment improvements -Ice, sealing machines



Profit ↑

*CQI: Coffee Quality Institution
*ITQI: International Taste Institute

More milestones

2023: Revenue exceeds NT\$17B

2015: Revenue exceeds NT\$10B

2004: CITY CAFE introduced



Connect E-commerce with Customers

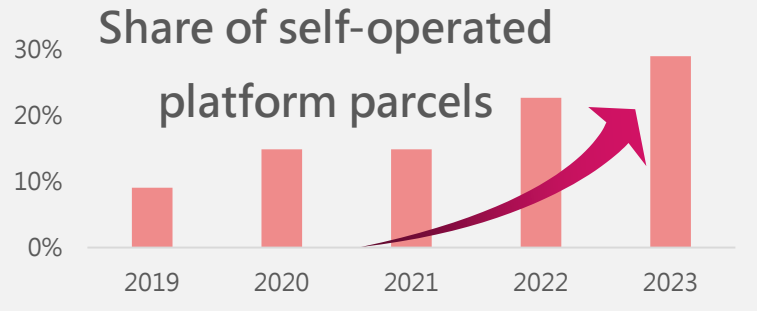
Quality Service to Connect Online and Offline



New E-commerce Service Extensions

- New collaborations with external EC providers in parcel collection and cross-border services
- Strengthening the group's EC operations
- Extending service to cover stores, homes, and neighborhoods

EC Parcel Collection Commission Revenue



Strengthening Self-operated Platforms

- Self-operated platforms no. 2 in number of parcels, >40% growth
- iOPEN Mall (C2C platform)
- Full-featured logistics service with cold chain parcel collection

賣貨便

交貨便



Improved Infrastructure

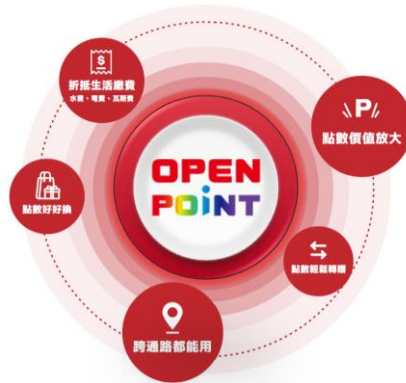
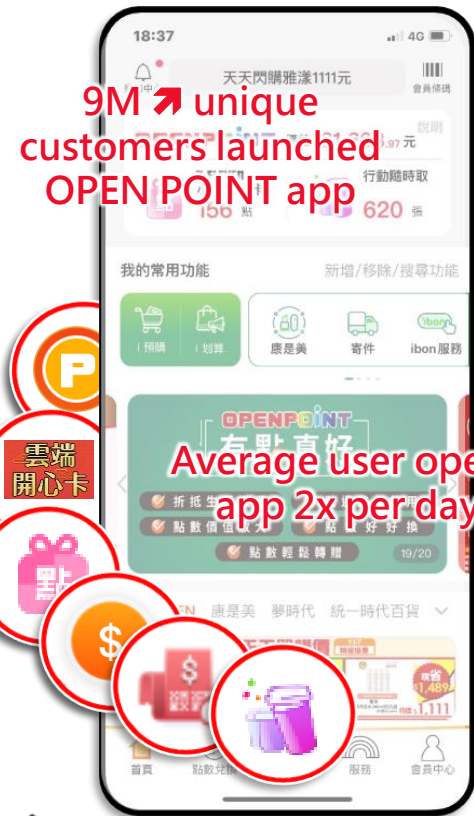
- Improving efficiency, annual productivity ↑
- Introducing optimized parcel collection process
- Expanding functionality to meet buyer and seller needs
- Secure pickup service



A Points Program for All Lifestyle Needs

Point Program Drives Return Business and Increases Contribution per Customer

OPENPOINT 有點真好



No. of Member **>17M**
72% of Taiwan's population

Share of Spending by Members **50-55%**
>NT\$100B spent annually

Percentage of Points Redeemed **85-90%**
>1.7B points distributed annually

Expanding the OPEN POINT Ecosystem

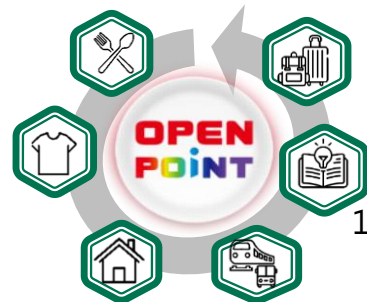
- Over 50 brands
- International points exchange
- Higher visibility

Collaboration with Payment tools

- Build an ecosystem platform
- Leverage member data
- Guide business to other Group companies

Improving Value of Points for Members

- More points in circulation
- Increase member spending and loyalty

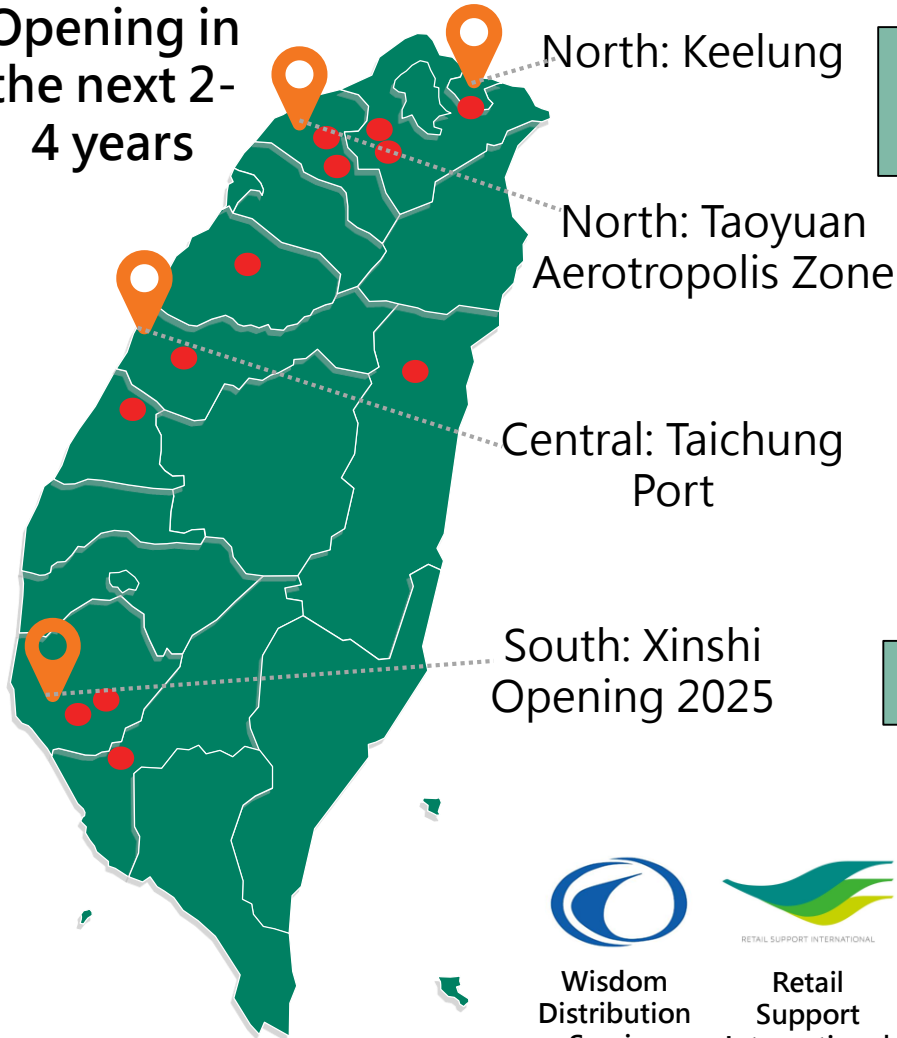


APP Users Rely on Most (III Poll)
Most Popular Point Program (iSurvey)

Establish Logistics Development Blueprint

Integrate Logistics and Upgrade Technology to Become Taiwan's Logistics Capacity Leader

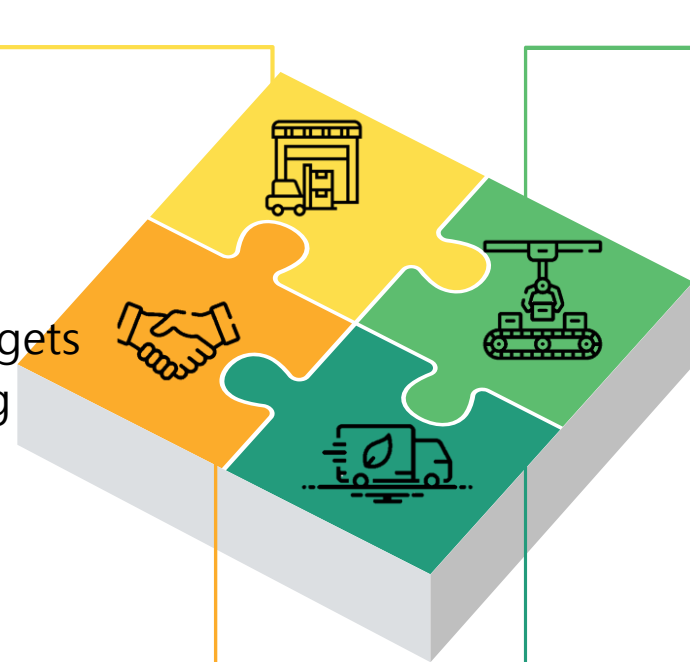
Opening in the next 2-4 years



Expanded Capacity

- Support Group expansion, EC development targets
- Integrate existing warehouses
- Improved space efficiency

New Business



Automated Equipment

- Improved efficiency
- Lower manpower, average productivity ↑
- Solar power, integrated transport

Green Logistics

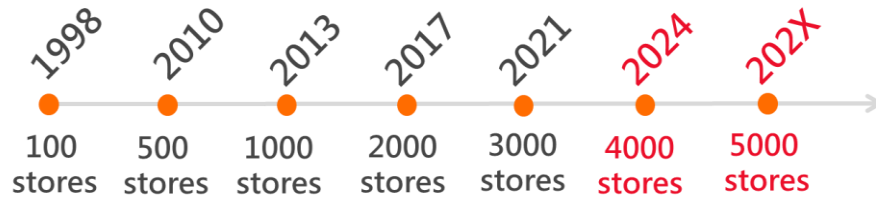


High Potential for 7-ELEVEN Philippines

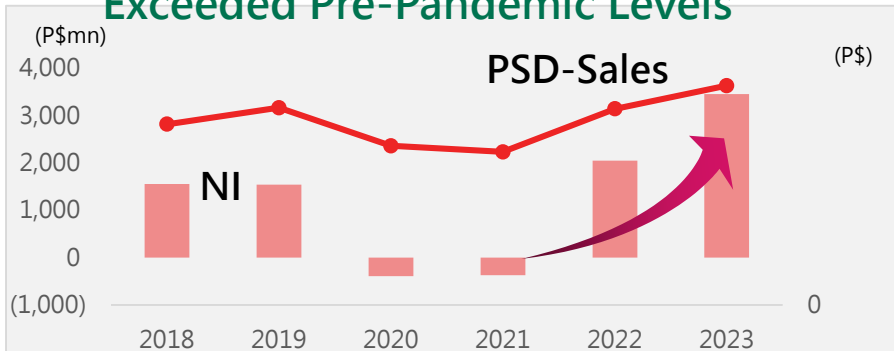
A Growth Engine and Second-Largest Contributor to Revenue/Profit

Prime Development Opportunity

- High growth potential in the Philippines' CVS sector
- 3,768 stores in 2023, no. 1 market share
- Continue rapid expansion in 2024, focus on islands outside of Luzon

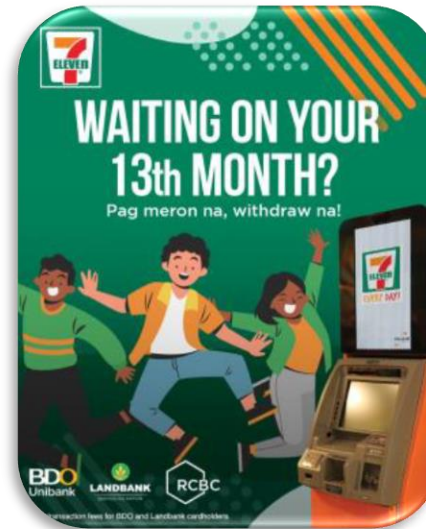


PSD-Sales and NI Have Exceeded Pre-Pandemic Levels



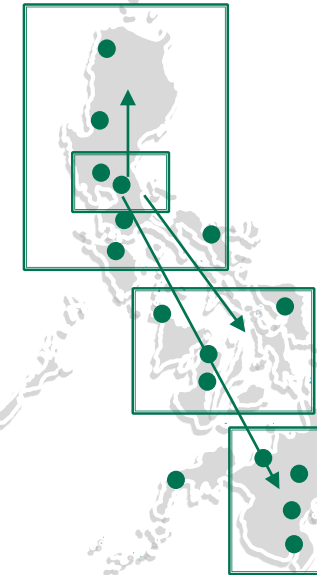
Differentiation to Expand Lead

- Continued growth in PSD-sales
- Strengthening fresh food (fried chicken), coffee, and daily necessities businesses
- Expanding collection service and 7B Cash Recycle ATM



Strengthen Digital Applications

- Continued expansion of delivery service area
- Synergy created with support of whole Group
- CLiQQ Grocery (EC) and CliQQ (e-wallet) expand digital ecosystem



ESG Awards Recognize Sustainability Achievements

TOP 3

Member of
Dow Jones Sustainability Indices
 Powered by the S&P Global CSA

- Top 3 in global food & staples retailing industry for 3rd consecutive year

TOP 5%

Taiwan Stock Exchange Corporate Governance Evaluation

- Top 5% among publicly traded companies for 9th consecutive year

A- rating



- A- rating for 2nd consecutive year

BBB



- ESG Leader: Privacy & Data Security, Product Safety & Quality

Awards

- Asia Responsible Enterprise Award, 4 consecutive years
- Taiwan Corporate Sustainability Award, 7 consecutive years
- 4 Gold Awards and 2 Silver Awards at the 2023 Asia Pacific and Taiwan Sustainable Action Awards
- 6 awards at the Taiwan Sustainable Action Awards
- 15th among large corporations, Commonwealth Excellence in Corporate Social Responsibility Awards
- 3 awards at the 19th Global Views ESG Awards

Stock Listings



- Listed on the DJSI World Index, MSCI Index series, FTSE4Good Index series, Taiwan Sustainability Index, Taiwan Employment Creation 99 Index, and Corporate Governance 100 Index

Sustainability in Everyday Lives

Strengthening Risk Management and ESG Awareness

- Established risk and cybersecurity management committee under board of directors
- Executive compensation linked to ESG KPIs

Customer Health and Nutrition

Introduced sustainability-driven product lines such as Veggie Selection (vegetarian food), Simple Fit (healthy food), and low-carbon products

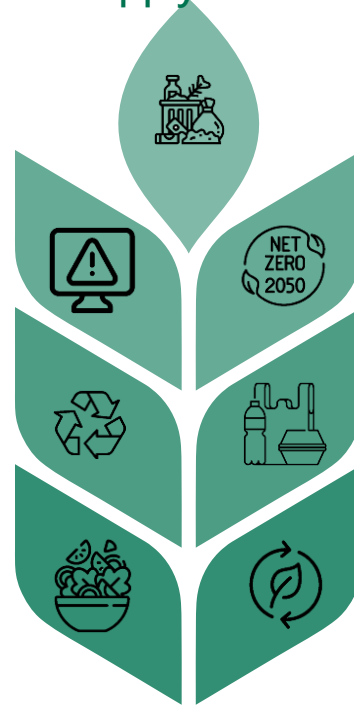
Reducing Food Waste

- Target to reduce food waste by 50% by 2030
- Sustainable farm that recycles coffee dregs to grow corn and cabbage

President Chain Store

+ Subsidiaries

+ Supply Chain



2050 Net Zero Commitment

- Carbon reduction pathway toward net zero planned based on SBTi principles
- Green energy installations on store roofs and headquarters
- Concept extended to subsidiaries

Reducing Single-Use Plastics

- Goal to eliminate single-use plastics by 2050
- >1,000 stores with OPEN iECO Recycled Cups Renting service

Introducing FSC Paper Packaging

Introduction of FSC-certified packaging in all CITY CAFE cups



The End