

**President Chain Store Corp.**

**2912 TT**



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# 2024 First Half 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.

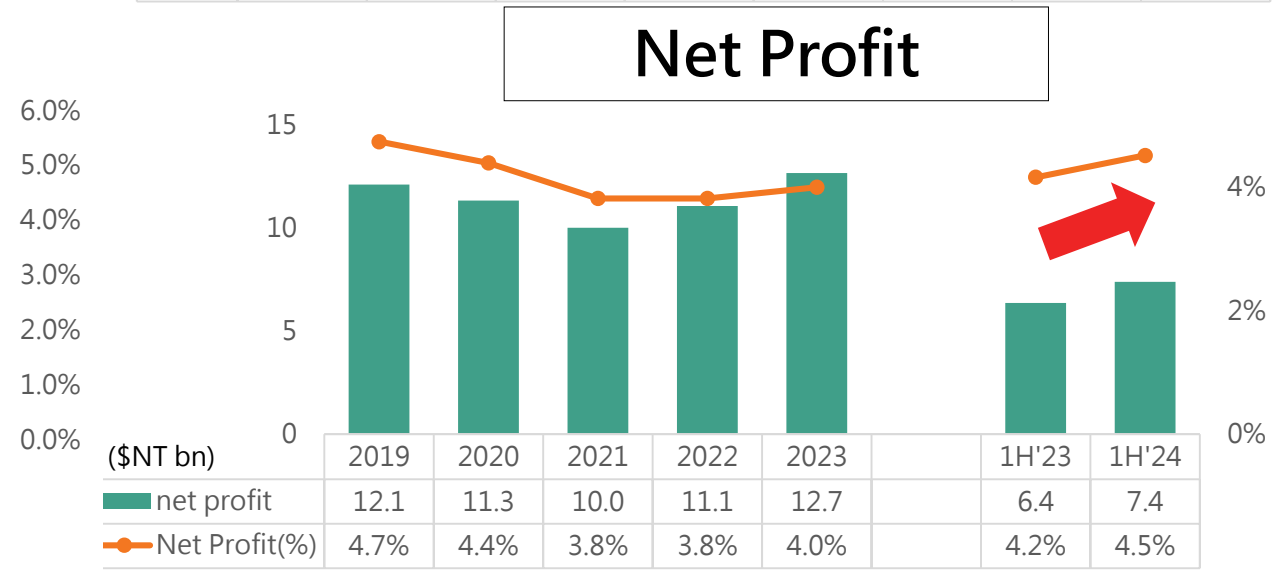
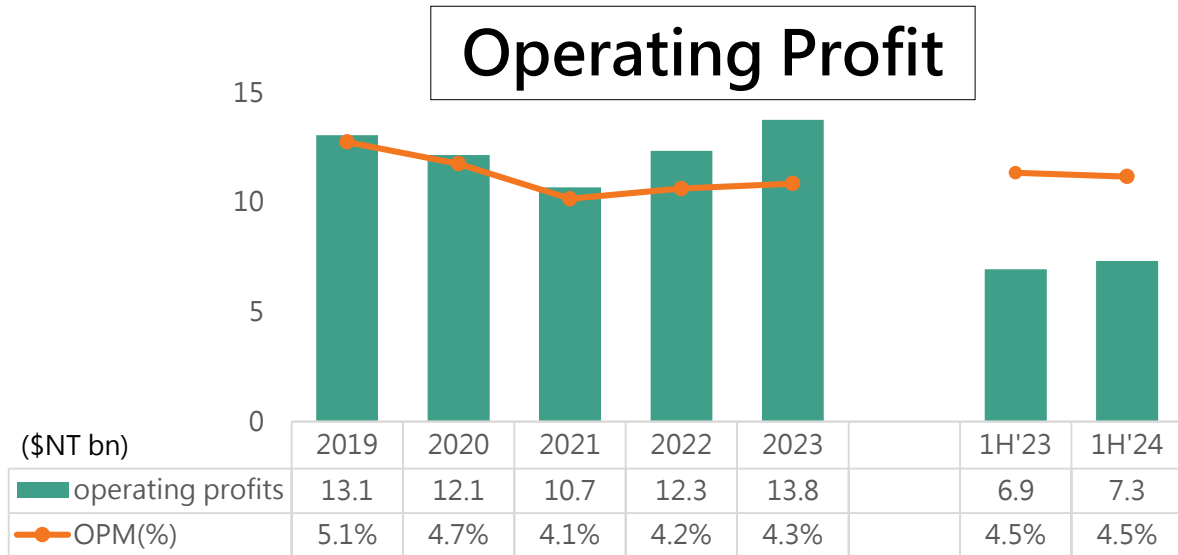
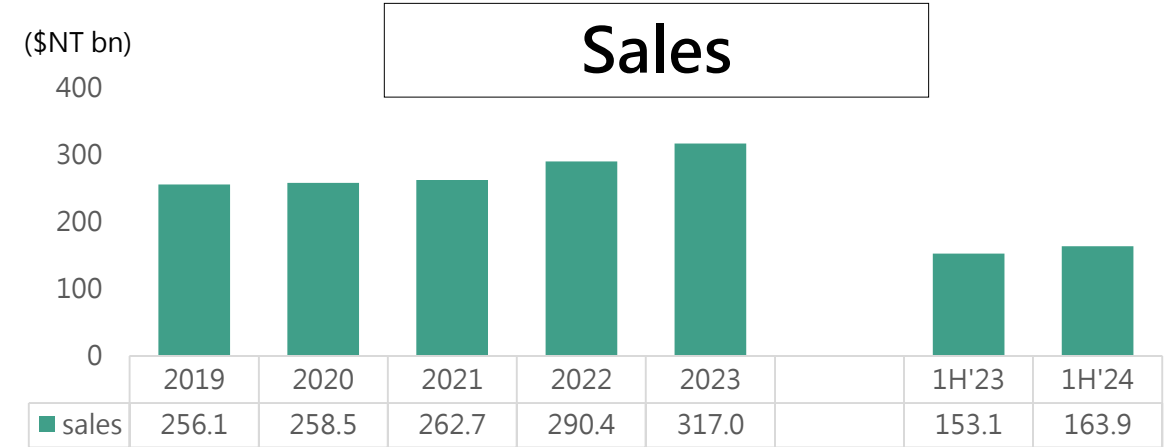
# 2024 First Half Financial Results

	2Q24	2Q23	YoY	YTD 1H24	YTD 1H23	YoY
Revenue (Company Only)	51.7	48.8	6.0%	101.9	95.9	6.2%
Revenue (Consolidated)	82.8	77.6	6.8%	163.9	153.1	7.1%
Net Profit (Consolidated)	4.0	3.1	27.3%	7.4	6.4	16.2%
Net Profit attributable to the parent company	3.4	2.6	31.4%	6.3	5.4	17.2%
EPS (NT\$)	3.23	2.46	31.4%	6.06	5.17	17.2%

- The consolidated revenue in 1H24 continued to increase, with the main contributions coming from Taiwan 7-11, Philippines 7-11, and COSMED, driven by ongoing store expansion and improved PSD-sales.
- The main contribution to profit came from Taiwan 7-11, Philippines 7-11, interest income from holding company, and the disposal gain from Shandong President Yinzuo Commercial Limited.

# Sales and Profitability (Consolidated)

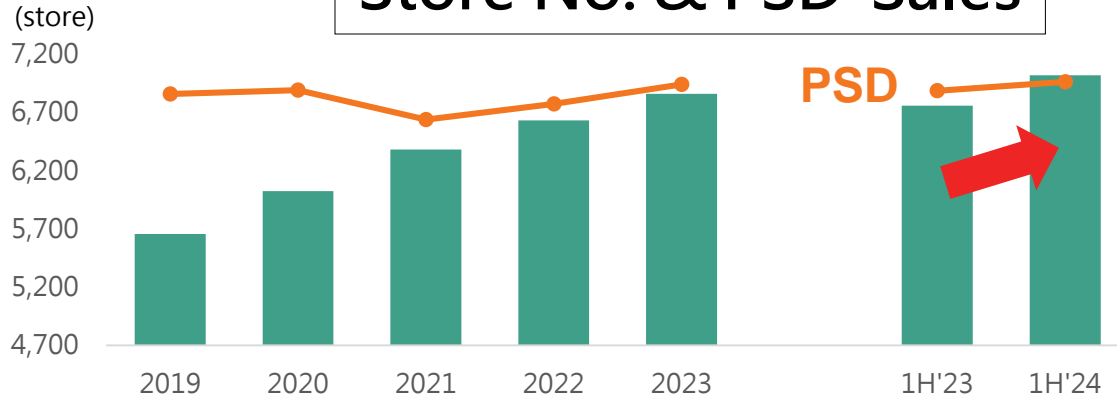
- Consolidated sales increased by 7.1% in 2024H1, driven by 7-ELEVEN Taiwan, 7-ELEVEN Philippines, COSMED, Transnet, Starbucks Taiwan, and others
- Consolidated pre-tax profit rose by 12.1%, driven by increased operating profit, higher interest income from the holding company, and disposal gain from Shandong President Yinzuo. After-tax profit grew by 16.2%, thanks to a lower tax rate from the reversal of deferred income tax expenses.



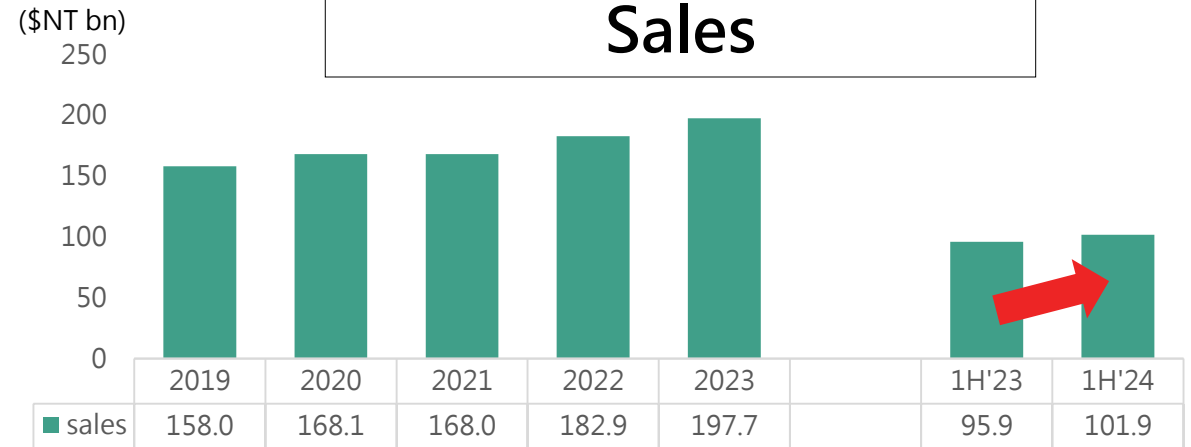
# Sales and Profitability (Parent)

- Driven by fresh food, CITY CAFE and beverage, the PSD-Sales of 7-ELEVEN Taiwan increased. And with store expansion, the sales revenue grew by 6.2% YoY.
- The net profit grew by 17.2%, mainly due to continued growth in operating profit, strong performance from subsidiaries, and a reversal of deferred income tax expenses.

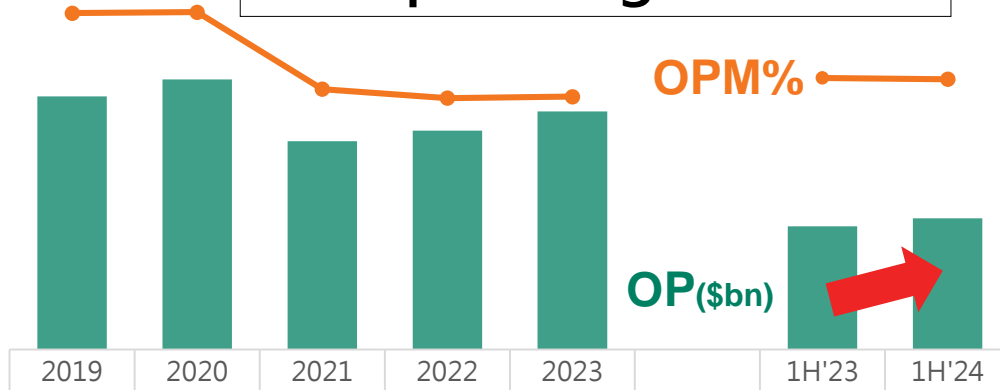
## Store No. & PSD-Sales



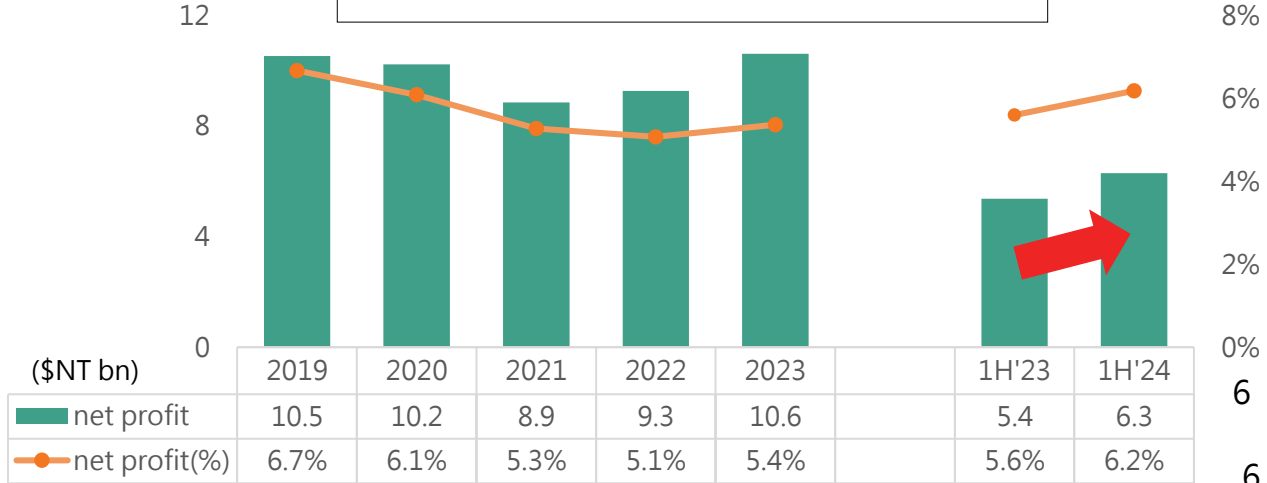
## Sales



## Operating Profit

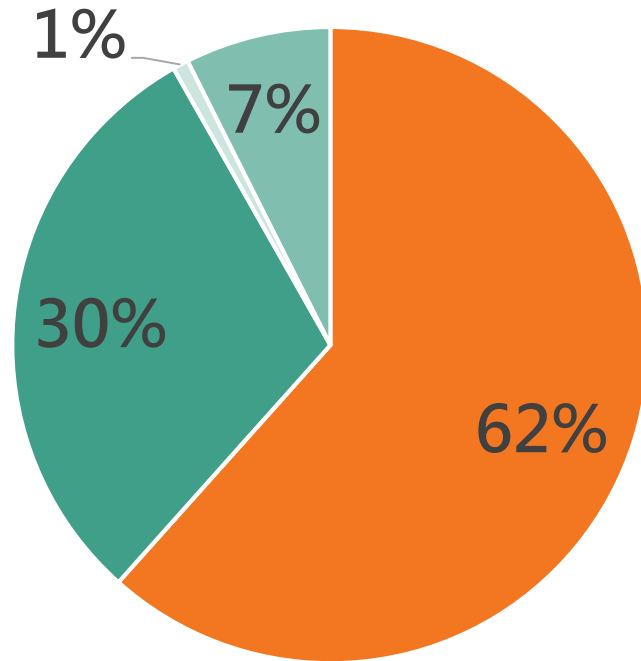


## Net Profit

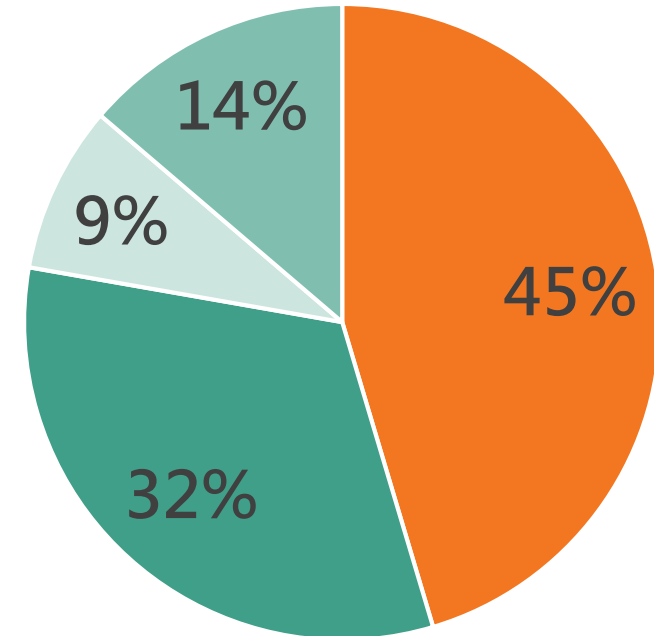


# 2024 First Half Segment Information

sales



pre-tax profits



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

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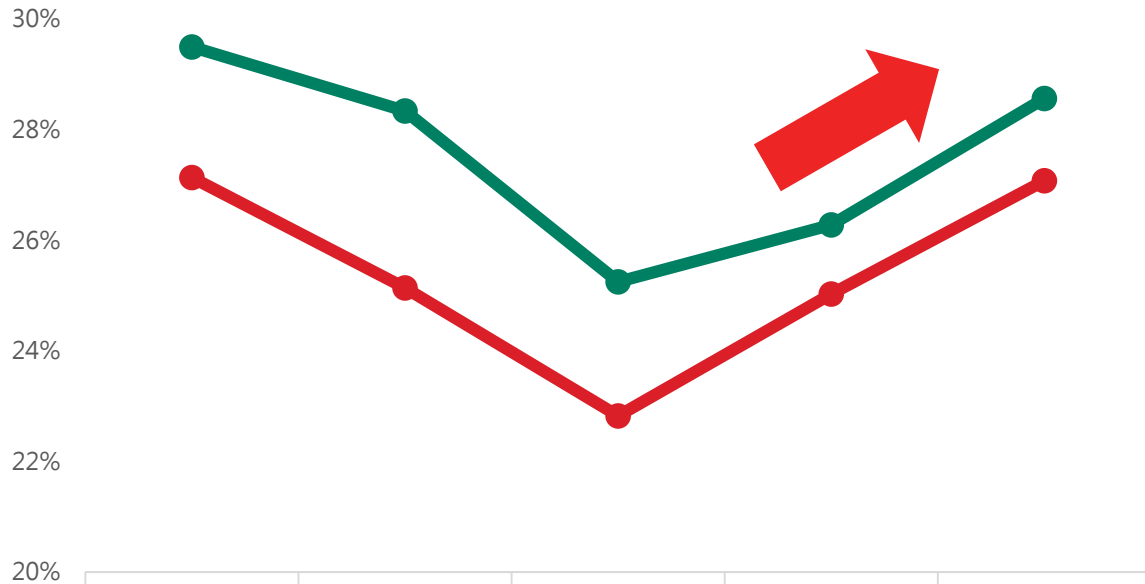
Retail business: Philippines 7-11, Cosmed, Takkyubin(Transnet), Books.com, Mech-President etc.

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

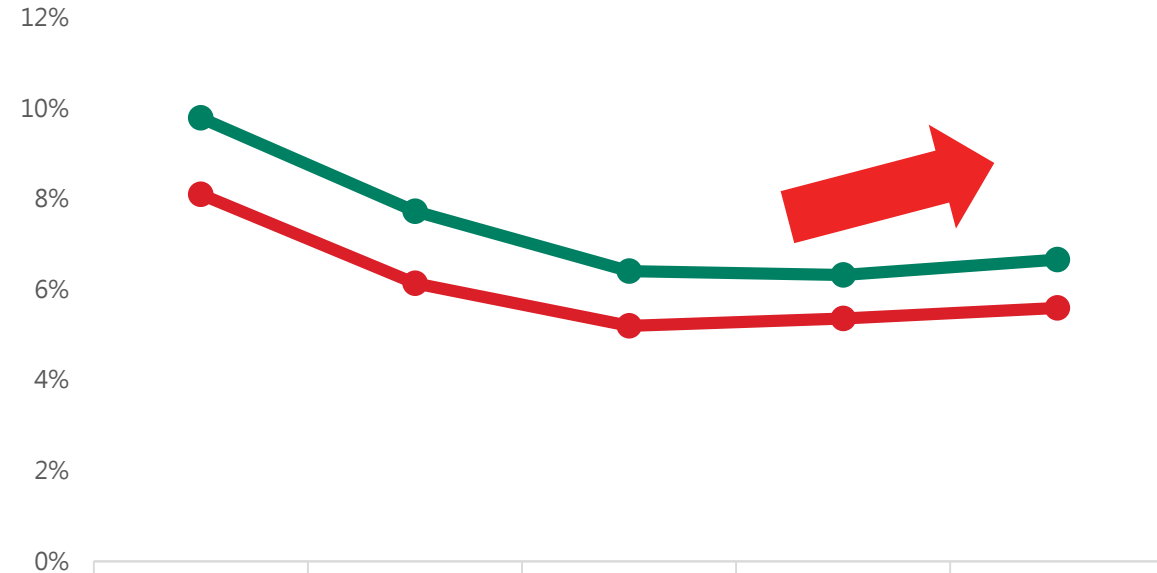
Others: China business, F&B business (e.g. Starbucks) and Support business

# ROE & ROA

## ROE



## ROA



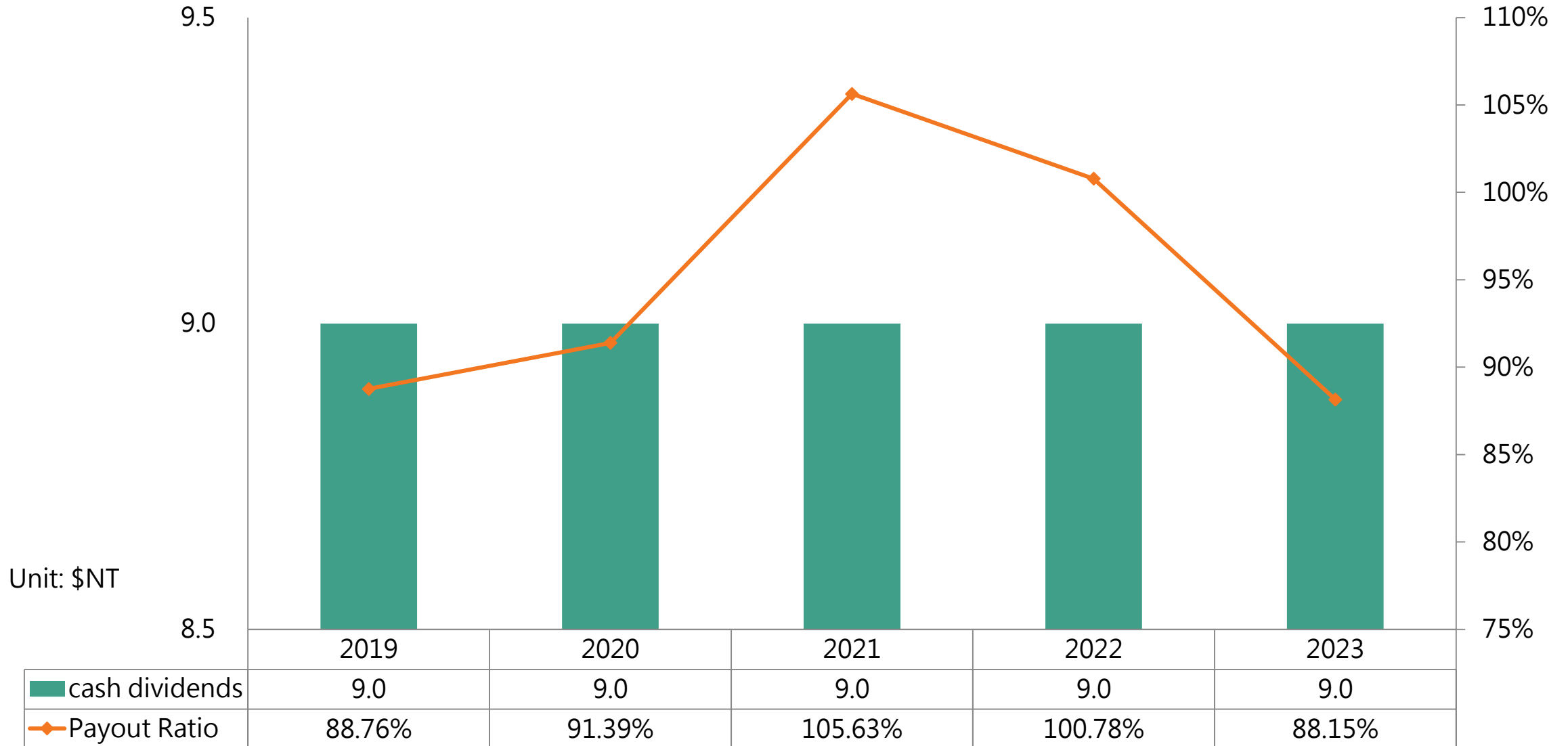
	2019	2020	2021	2022	2023
Parent	29.50%	28.34%	25.25%	26.29%	28.57%
Consolidated	27.14%	25.14%	22.83%	25.03%	27.08%

	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



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# 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

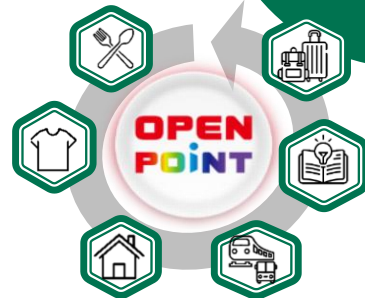
Points Double-digit growth in points



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



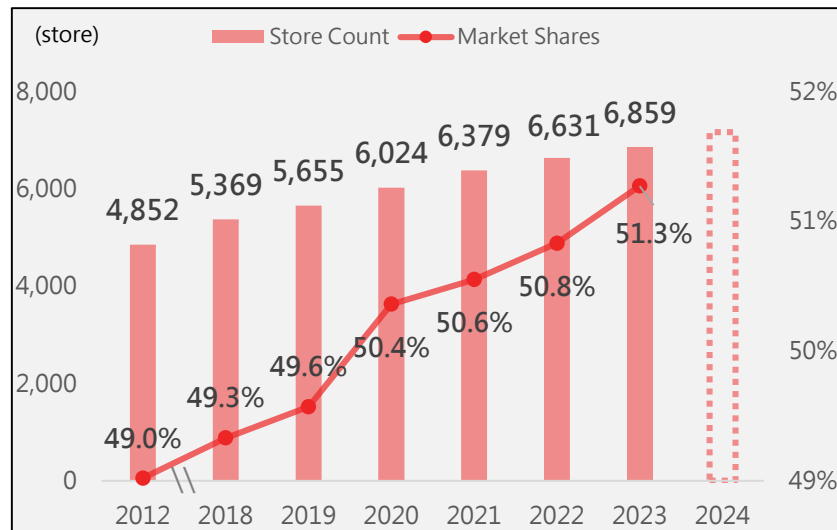
Respond to consumer needs to become a lifestyle services platform that customers rely on



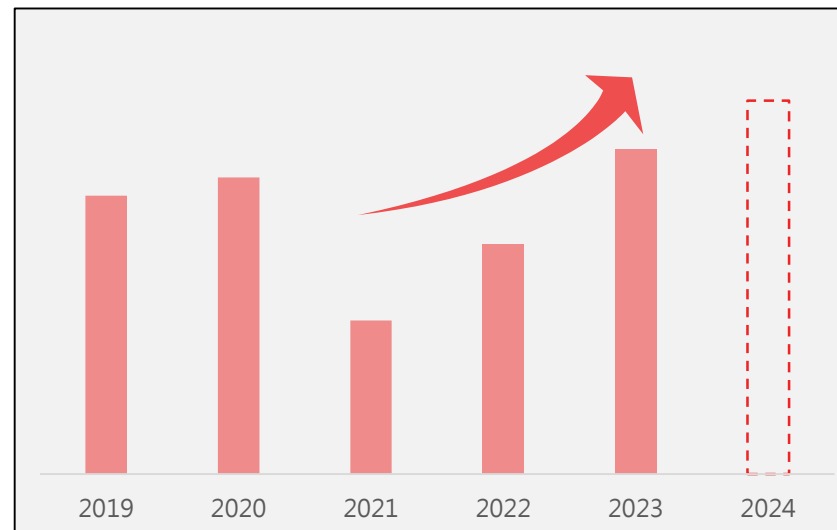
- Plan locations in important commercial districts and regional integration
- Focus on quality AND quantity to maintain revenue

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

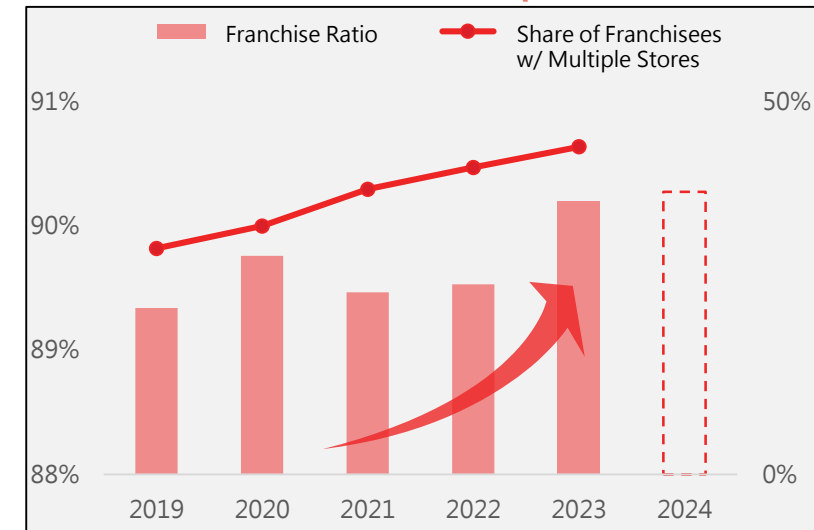
7-ELEVEN Taiwan Store Count and Market share



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



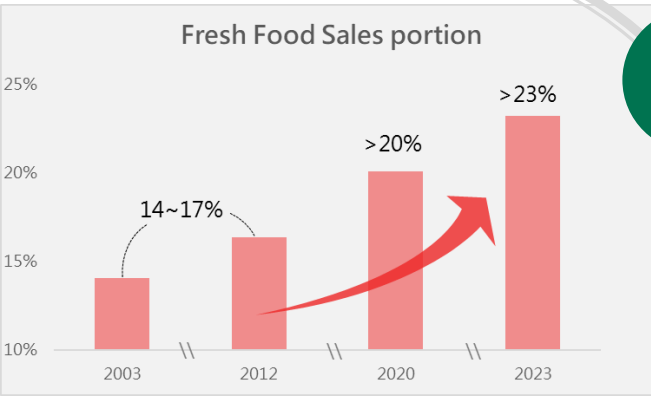
EV Charging stations, Intelligent Automatic Recycling Machine, solar panels, etc.

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

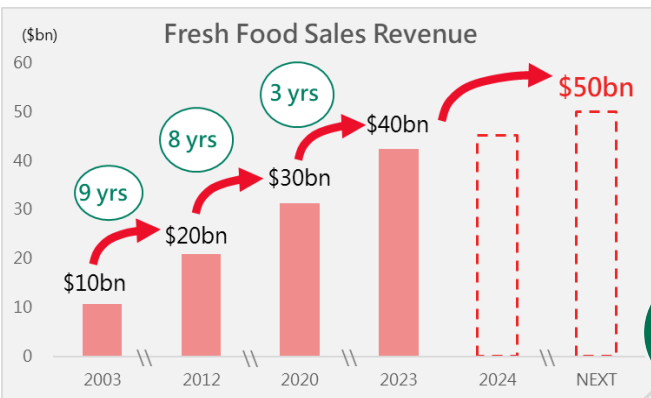
Pets, OPEN!MART (fresh groceries), K. Seren (cosmetics), Books.com(books), etc.

# 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



## 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 ↑

More milestones

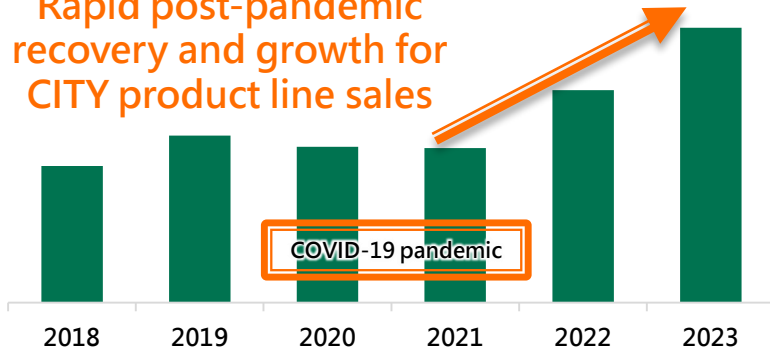
2023: Revenue exceeds NT\$17B

2015: Revenue exceeds NT\$10B

2004: CITY CAFE introduced



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



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

# Connect E-commerce with Customers

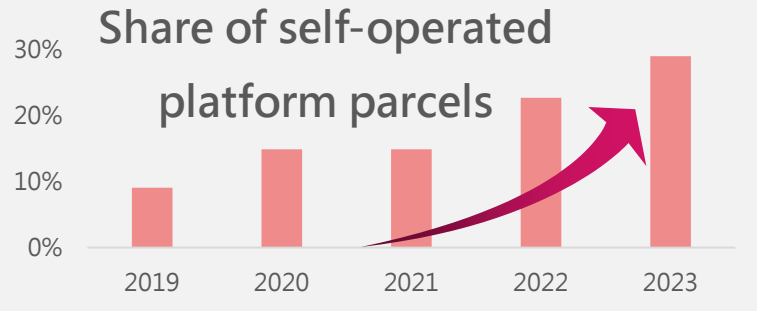
## Quality Service to Connect Online and Offline



### 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



### Improved Infrastructure

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

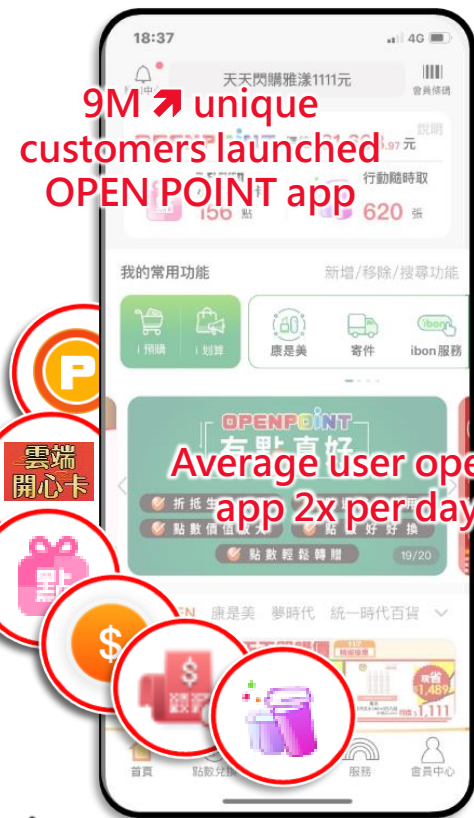




# A Points Program for All Lifestyle Needs

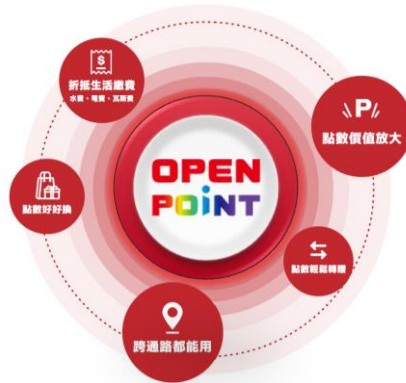
Point Program Drives Return Business and Increases Contribution per Customer

**OPENPOINT 有點真好**



9M  $\uparrow$  unique customers launched OPEN POINT app

Average user opens app 2x per day



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

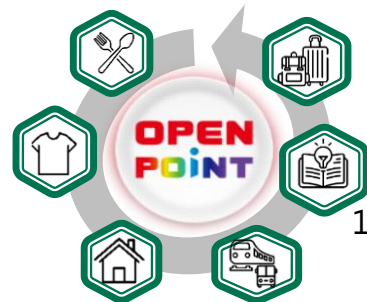
- Over 50 brands
- International points exchange
- Higher visibility

## 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

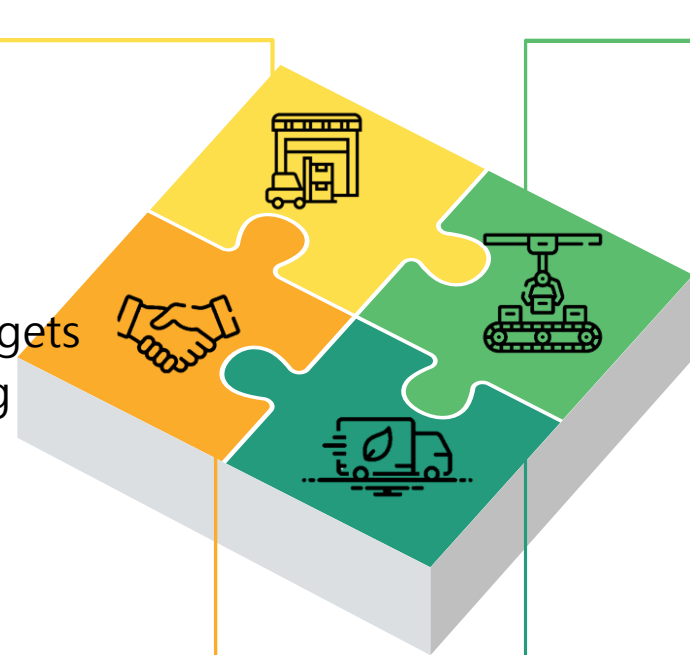
Opening in the next 2-4 years



## 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

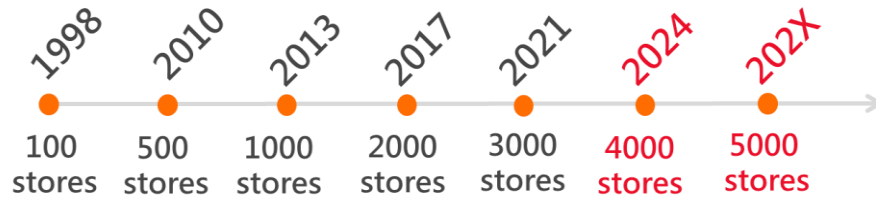


# High Potential for 7-ELEVEN Philippines

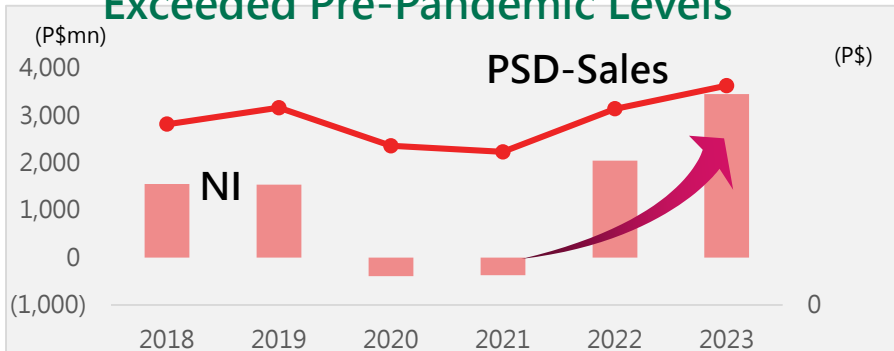
## A Growth Engine and Second-Largest Contributor to Revenue/Profit

### 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

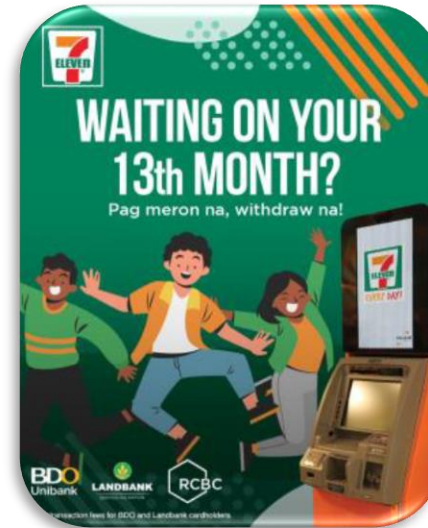


### PSD-Sales and NI Have Exceeded Pre-Pandemic Levels



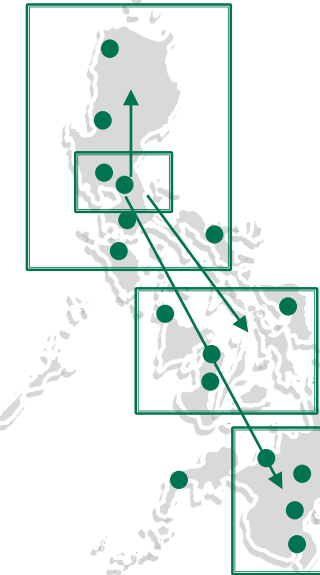
### Differentiation to Expand Lead

- 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 3<sup>rd</sup> consecutive year

## TOP 5%

**Taiwan Stock Exchange Corporate Governance Evaluation**

- Top 5% among publicly traded companies for 9<sup>th</sup> consecutive year

## A- rating



- A- rating for 2<sup>nd</sup> 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 19<sup>th</sup> 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

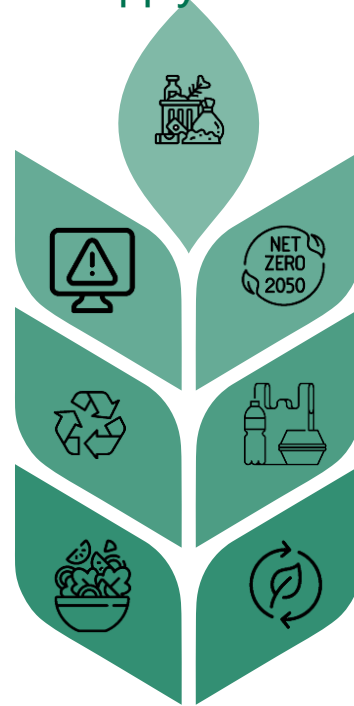
## Reducing Food Waste

- 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



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# The End