

FamilyMart

Taiwan FamilyMart Co., Ltd.

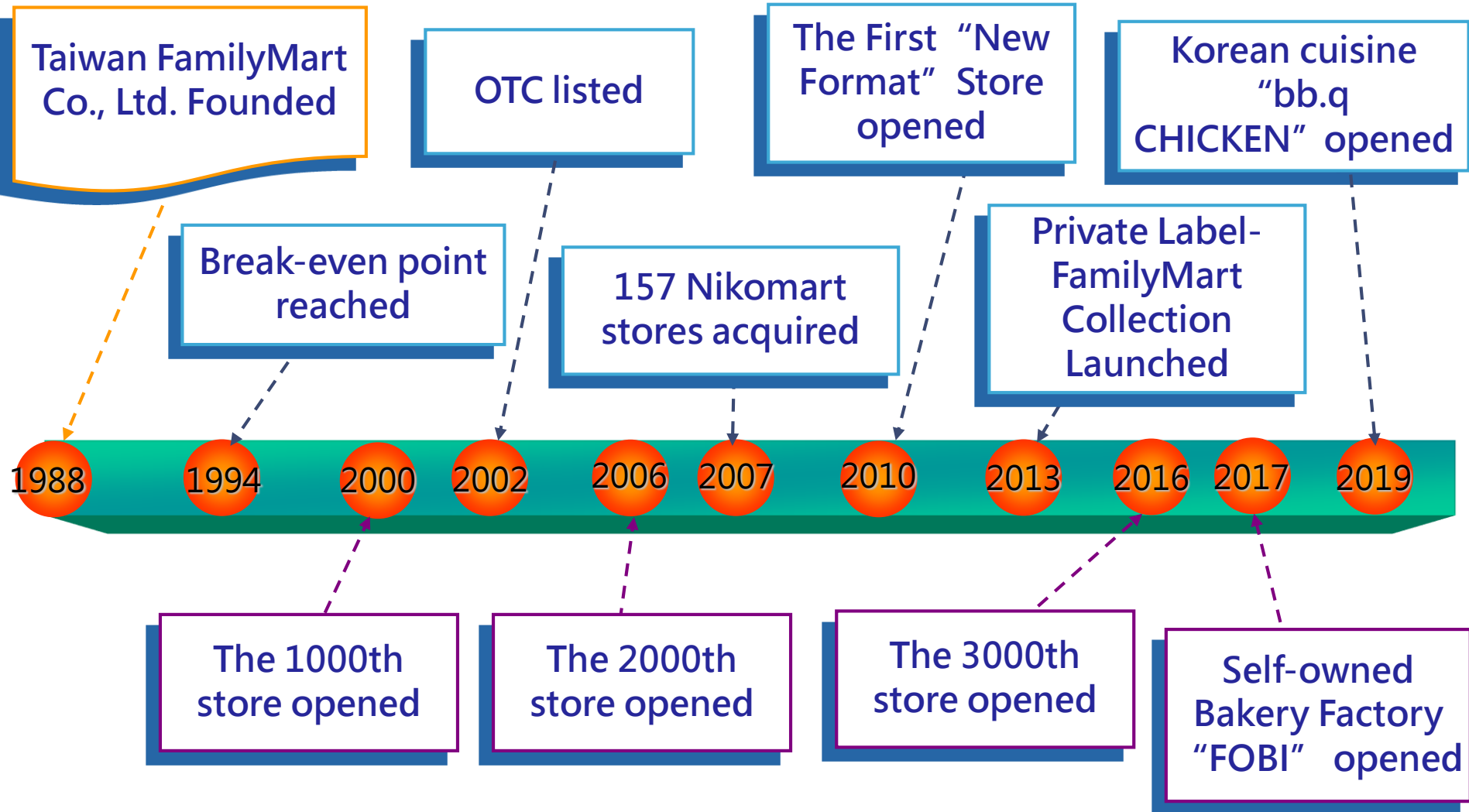


Company Profile

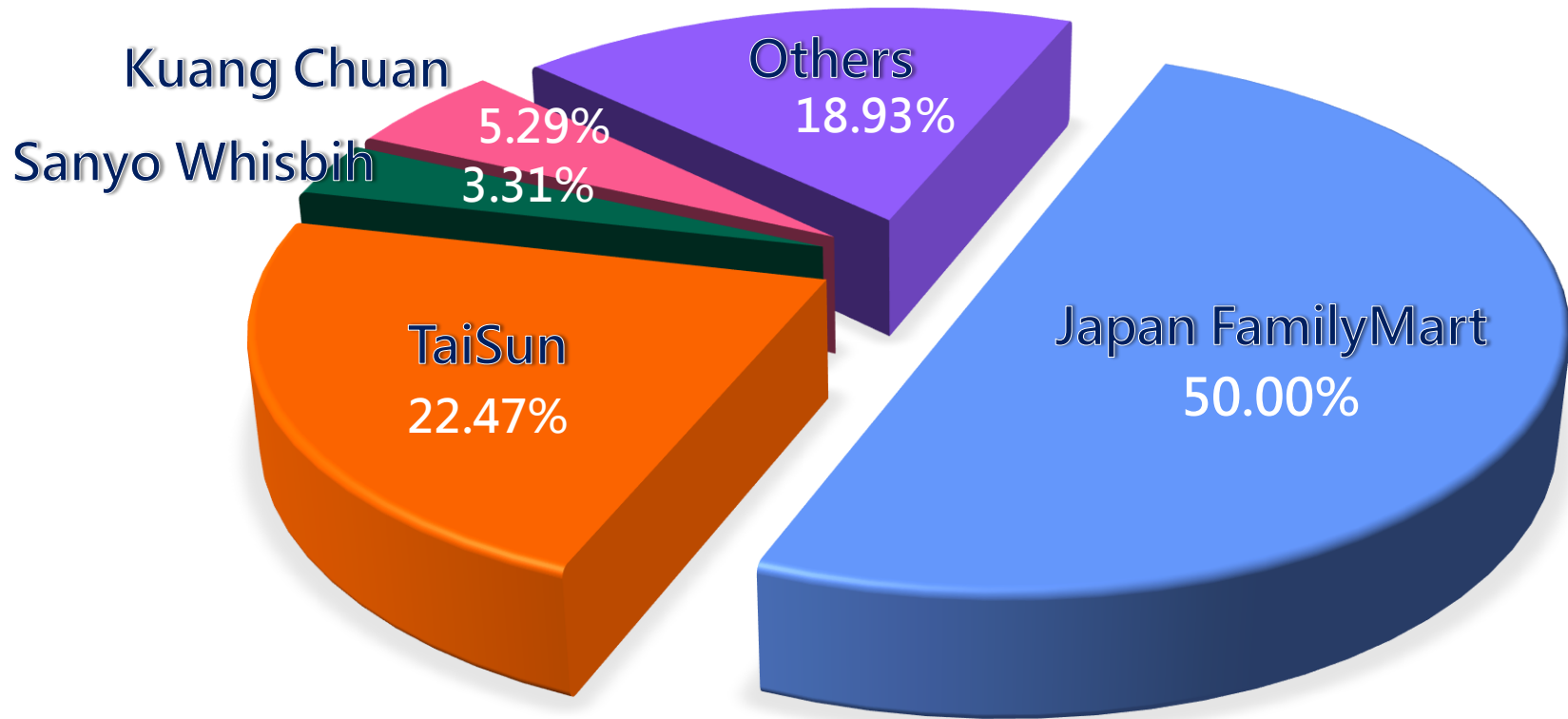
- ◆ Chairman: Yeh, Jung-ting
- ◆ Established: August 18, 1988
- ◆ Capital: 2.23 Billion (NTD)
- ◆ Core Business: Operation of convenience store chain, under the name of "FamilyMart"
- ◆ Number of Stores (2020, March): 3,630



FamilyMart Milestones



The Shareholder Structure



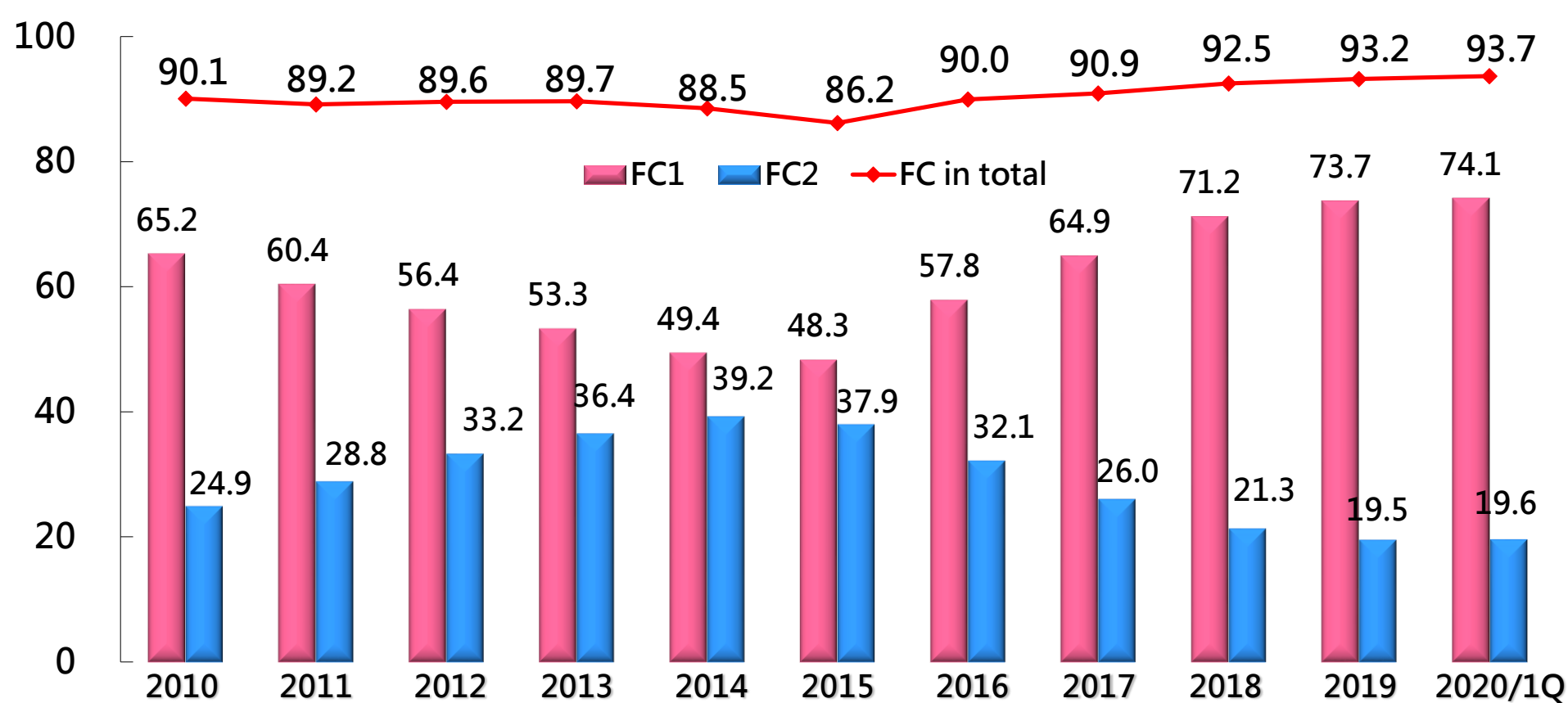
Definition of FC1 and FC2

	Characteristics	Profits
FC1	- Franchisee should have self-owned or rented property - Franchisee should bear the expenses of store decoration	- Allocation of 65% gross profits - A minimum annual gross profits guaranteed: NT \$3 million
FC2	- Headquarters takes the responsibility of the readiness of the store for operation, including the property hire , store decoration etc. - Franchisee should be married couple and has excellent credit records	- Allocation of 43% gross profits - A minimum annual gross profits guaranteed: NT \$2.6 million



Percentage of Franchise Types

Unit: %



	2013		2014		2015		2016		2017		2018		2019		2020/1Q	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
RC	300	10.3	337	11.5	413	13.8	307	10.1	287	9.1	249	7.5	241	6.8	228	6.3
FC1	1546	53.3	1452	49.4	1442	48.3	1768	57.8	2048	64.9	2367	71.2	2616	73.7	2691	74.1
FC2	1057	36.4	1151	39.1	1131	37.9	982	32.1	819	26.0	710	21.3	691	19.5	711	19.6

Market Share by No. of Stores

CVS Chain		2007	2012	2013	2014	2015	2016	2017	2018	2019	2020/1Q
FamilyMart	No. of Store	2228	2851	2903	2940	2986	3057	3154	3326	3548	3630
	Net Opening	+216	+27	+52	+37	+46	+71	+97	+172	+222	+82
	Market Share	24.6%	28.8%	29.1%	29.0%	29.4%	29.6%	30.0%	30.5%	31.1%	31.4%
7-11	No. of Store	4705	4852	4922	5040	5028	5107	5221	5369	5655	5751
	Net Opening	+317	+49	+70	+118	-12	+79	+114	+148	+275	+96
	Market Share	52.0%	49.0%	49.3%	49.7%	49.5%	49.5%	49.6%	49.3%	49.6%	49.7%
Hi-Life	No. of Store	1300	1292	1295	1283	1281	1278	1282	1312	1405	1412
	Net Opening	+38	+7	+3	-12	-2	-3	+4	+30	+93	+7
	Market Share	14.4%	13.1%	13.0%	12.7%	12.6%	12.4%	12.2%	12.0%	12.3%	12.2%
O.K.	No. of Store	820	897	861	879	866	879	866	892	785	768
	Net Opening	-19	+19	-36	+18	-13	+13	-13	+26	-107	-17
	Market Share	9.1%	9.1%	8.6%	8.7%	8.5%	8.5%	8.2%	8.2%	6.9%	6.6%
NikoMart	No. of Store	0									
	Net Opening	-300									
	Market Share	0%									
Total	No. of Store	9053	9892	9981	10142	10161	10321	10523	10899	11393	11561
	Net Opening	+256	+102	+89	+161	+19	+160	+202	+376	+494	+168

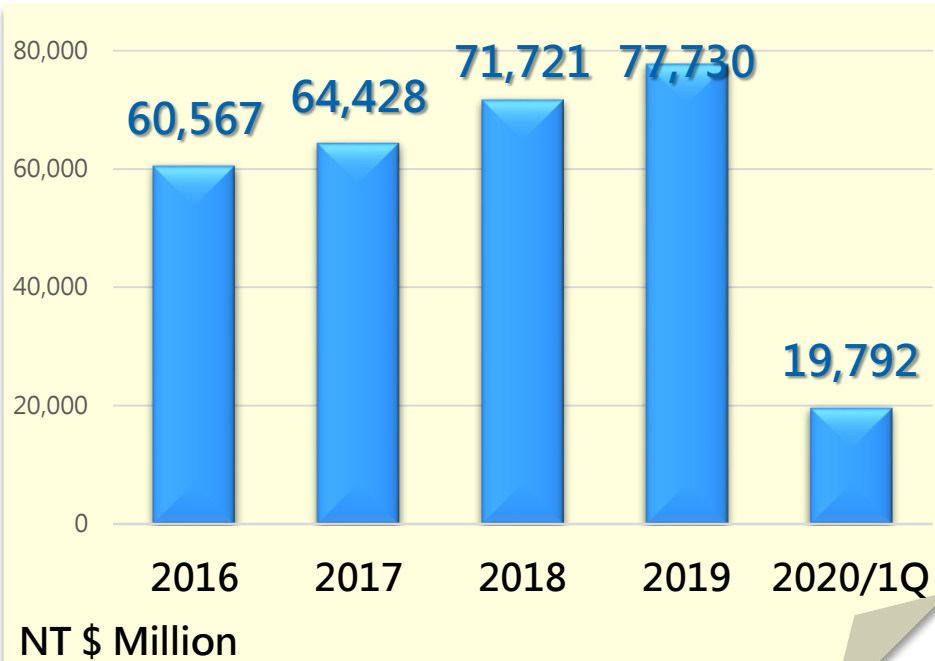
Performance Comparison - YoY Analysis

Unit :NT\$Thousand	2020/1Q	2019/1Q	Y-oY(%)
Sales	19,791,948	18,192,278	8.79%
Gross Profits	7,127,222	6,507,283	9.53%
Operating Expenses	6,631,302	6,131,215	8.16%
Operating Profits	495,920	376,068	31.87%
Pre-tax Profits	364,889	305,803	19.32%
Net Profits	283,718	228,183	24.34%
EPS	1.27	1.02	24.51%
Gross Margin	36.01%	35.77%	0.24%
Operating Expenses Ratio	33.51%	33.70%	-0.20%
Operating Margin	2.51%	2.07%	0.44%
Pre-tax Margin	1.84%	1.68%	0.16%
Net Margin	1.43%	1.25%	0.18%

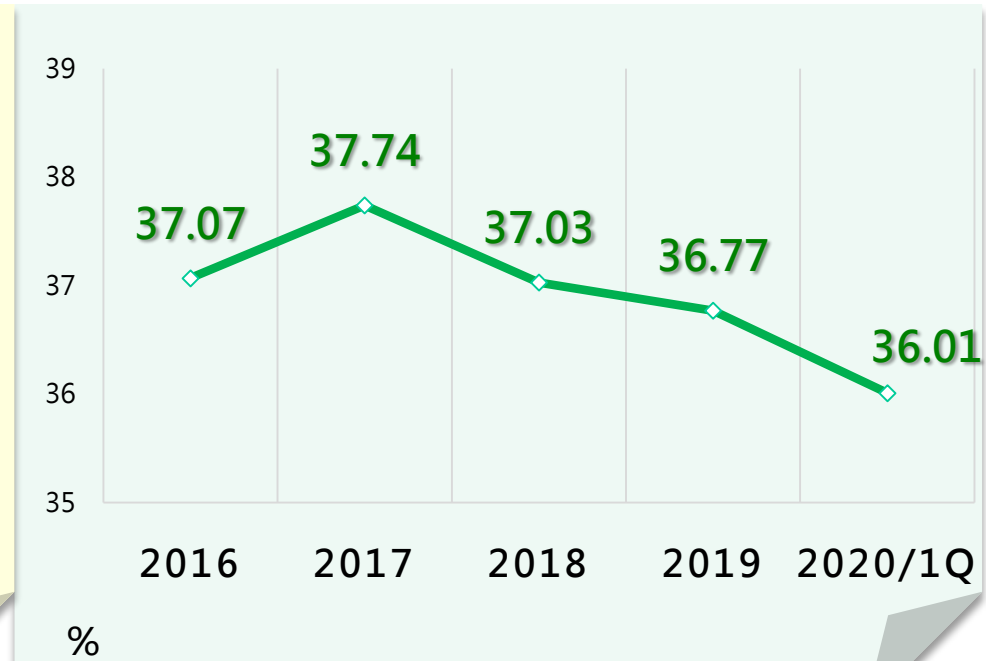
Profitability Trend



REVENUE



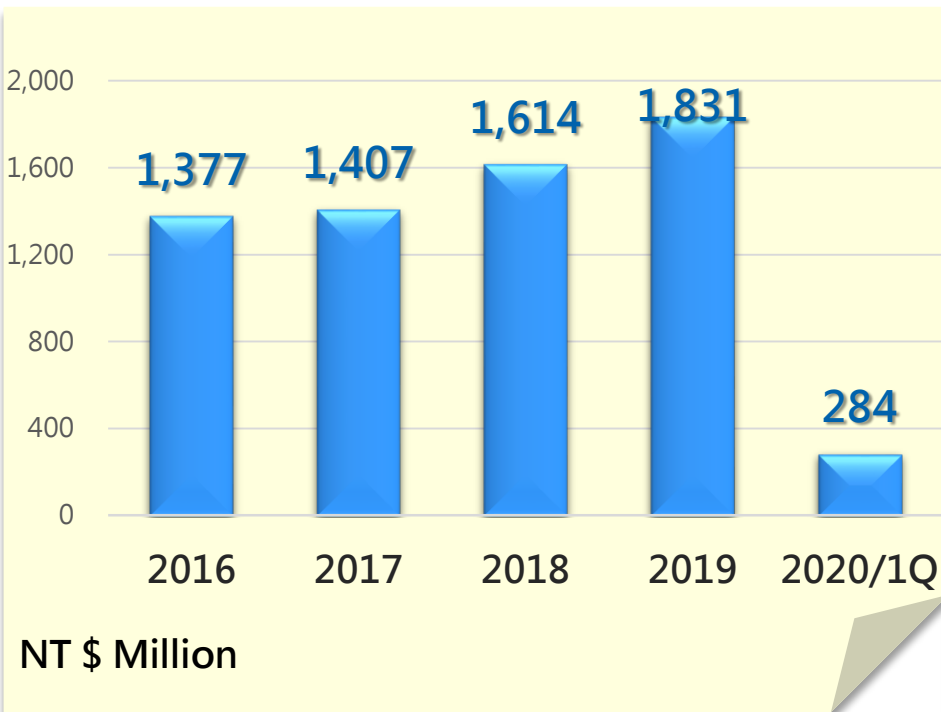
GROSS MARGIN



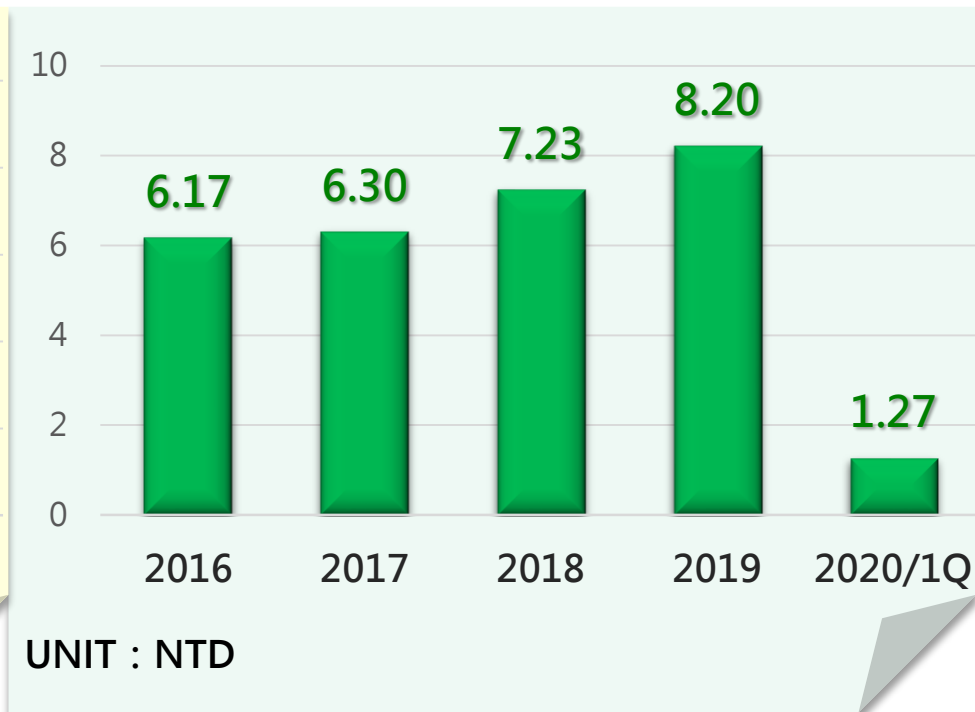
Profitability Trend



NET INCOME

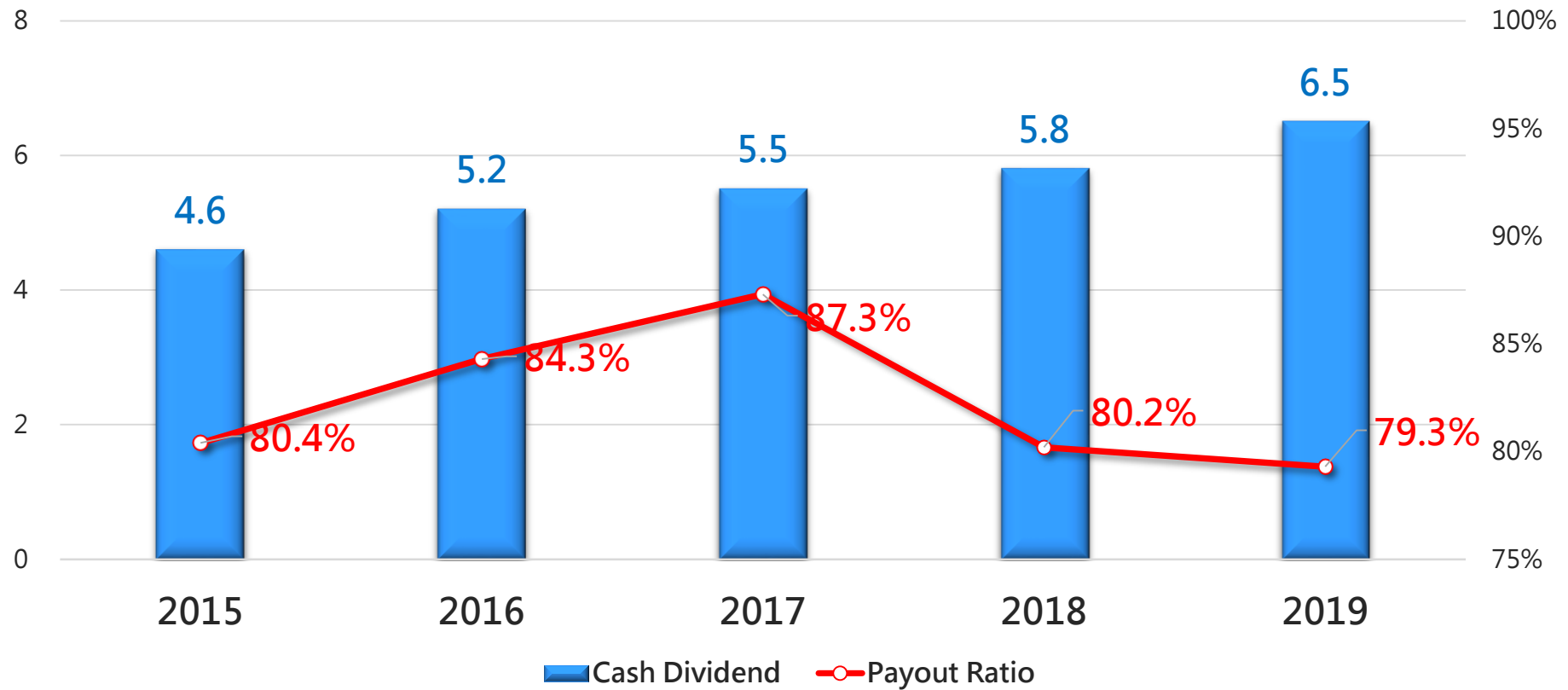


EPS



Cash Dividend Trend

UNIT : NTD

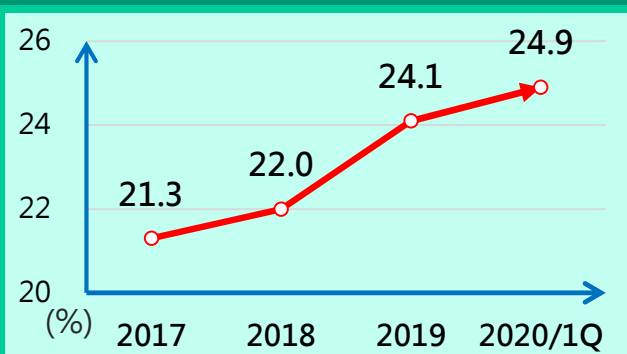


*2019 cash dividend has not been approved by AGM.

Key Drivers for Further Growth

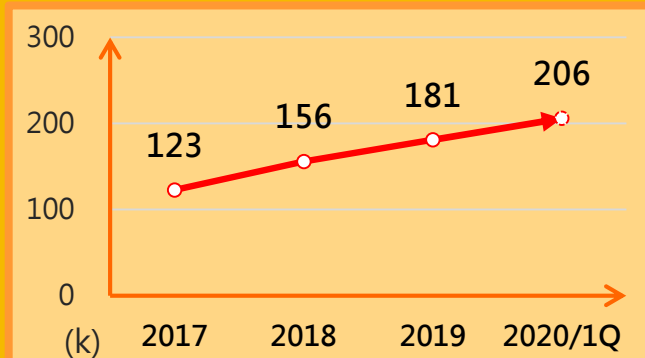


FRESH FOOD



★Fresh food % of total sales

E-Commerce



★Number of Pick-up per day

Improving the Quality of Fresh Food

Structural Reforms in Fresh Food

- Upgrading FF from the procurement of ingredients to the equipment used in the production process and quality management.

Let's Café



Bread & Sandwich



Onigiri (Rice Ball)

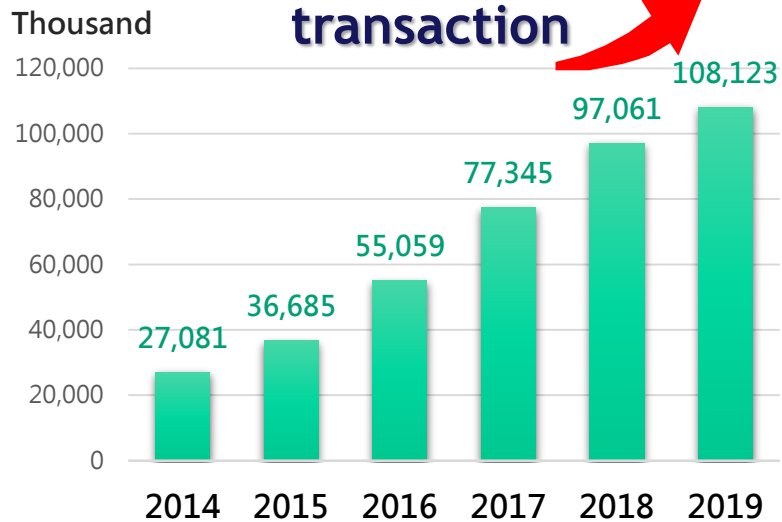


Get ready for the Strong Growth in EC

- ❑ Enhancing capacity and efficiency by investing new sorting system in logistic center .
- ❑ Introducing refrigerated and frozen parcel service in store-to-store delivery.



Trend of EC service transaction



Innovation in Store Format

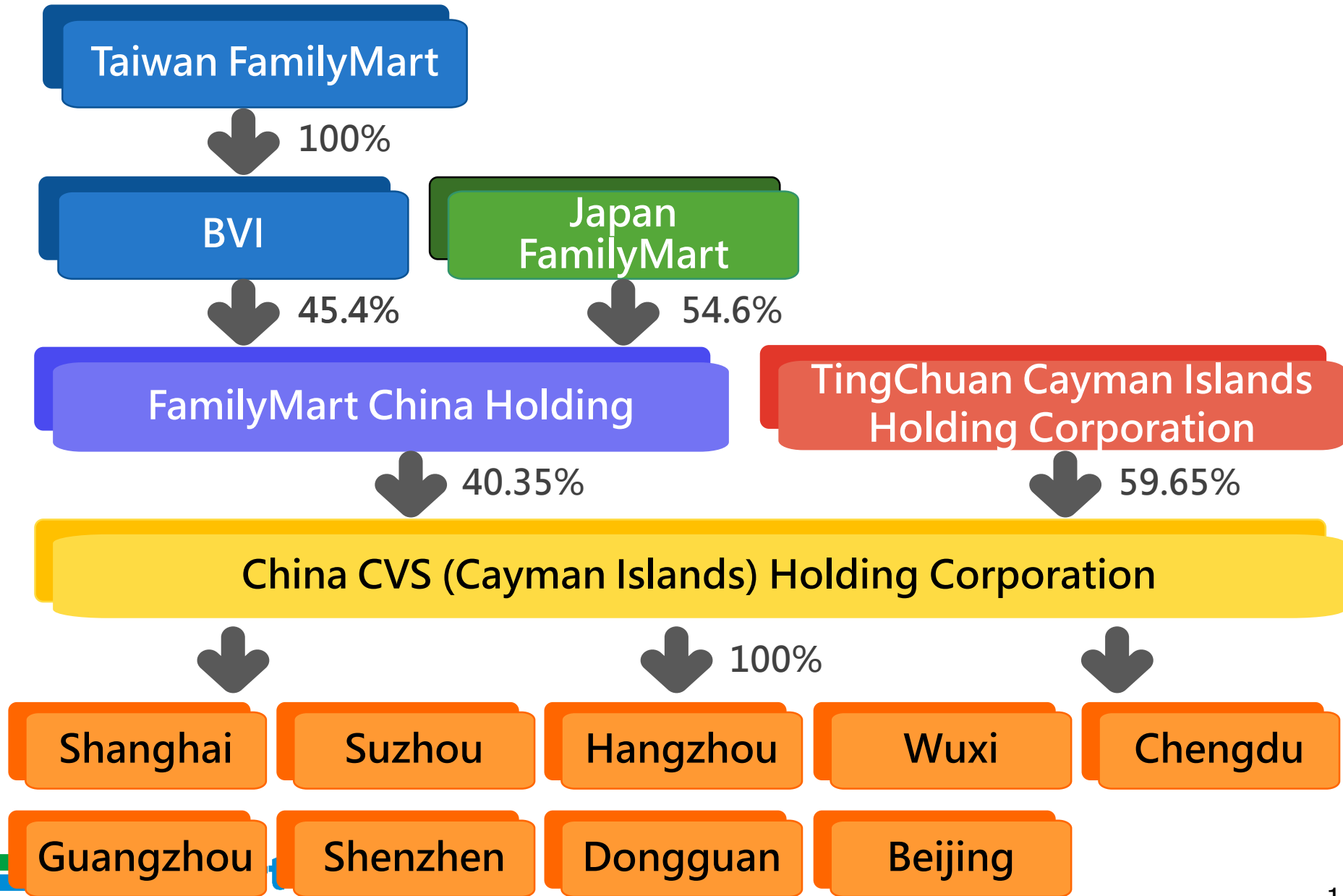
Integrated stores with Let's café



Integrated stores with Laundry



China Market Information



China Market Information



★Store number

2019→ 2801

2020/1Q→ 2816

★Net Income

2019→ -62,453

2020/1Q→ -137,036

NT \$ Thousand



Shanghai

Stores→ 1553

NI → 2019/1Q: -46,289

2020/1Q: -80,266



Suzhou

Stores → 269

NI → 2019/1Q: -3,803

2020/1Q: -6,347



Hangzhou

Stores → 249

NI → 2019/1Q: -10,908

2020/1Q : -15,087

Wuxi

Stores → 112

NI → 2019/1Q: -6,995

2020/1Q: -4,753



Guangzhou

Stores → 295

NI → 2019/1Q: -7,454

2020/1Q: -19,504

Shenzhen

Stores → 126

NI → 2019/1Q: -7,833

2020/1Q: -9,014

Dongguan

Stores → 27

NI → 2019/1Q: -1,215

2020/1Q: -1,771

Chengdu

Stores → 121

NI → 2019/1Q: -10,734

2020/1Q: -7,643

Beijing

Stores → 64

NI → 2019/1Q: -1,980

2020/1Q: -10,263

China Market Information

Development
Stage

Focus on
Expanding
Market Share

Aim to Make a Profit

NT\$million	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19
Net Income(Loss) Recognized	-3	-41	-41	-48	-43	-54	-70	-106	-212	-8	+25	+39	+33	+46	+15	-62
Total Number of Stores	42	98	103	130	187	316	532	766	1011	1064	1281	1501	1810	2177	2571	2801
Shanghai	42	98	103	117	158	255	420	600	767	776	884	980	1110	1285	1450	1552
Suzhou	x	x	x	4	13	22	32	46	68	85	105	120	160	200	241	266
Hangzhou	x	x	x	x	x	x	x	x	14	29	51	72	110	149	195	236
Guangzhou	x	x	x	9	16	39	80	120	149	145	162	182	212	253	280	295
Shenzhen	x	x	x	x	x	x	x	x	x	5	20	35	51	66	109	126
Chengdu	x	x	x	x	x	x	x	x	13	24	35	49	62	84	110	121
Wuxi	x	x	x	x	x	x	x	x	x	x	18	33	67	85	111	115
Beijing	x	x	x	x	x	x	x	x	x	x	4	19	21	36	52	61
DongGuan	x	x	x	x	x	x	x	x	x	x	2	11	17	19	23	29



Q & A

Performance Comparison - YoY Analysis

Unit :NT\$Thousand	2019	2018	Y-oY(%)
Sales	77,729,696	71,720,973	8.38%
Gross Profits	28,577,900	26,553,678	7.62%
Operating Expenses	26,163,275	24,781,673	5.58%
Operating Profits	2,414,625	1,772,005	36.27%
Pre-tax Profits	2,379,030	2,096,846	13.46%
Net Profits	1,830,514	1,614,381	13.39%
EPS	8.20	7.23	13.42%
Gross Margin	36.77%	37.02%	-0.26%
Operating Expenses Ratio	33.66%	34.55%	-0.89%
Operating Margin	3.11%	2.47%	0.64%
Pre-tax Margin	3.06%	2.92%	0.14%
Net Margin	2.35%	2.25%	0.10%