

FamilyMart

Taiwan FamilyMart Co., Ltd.

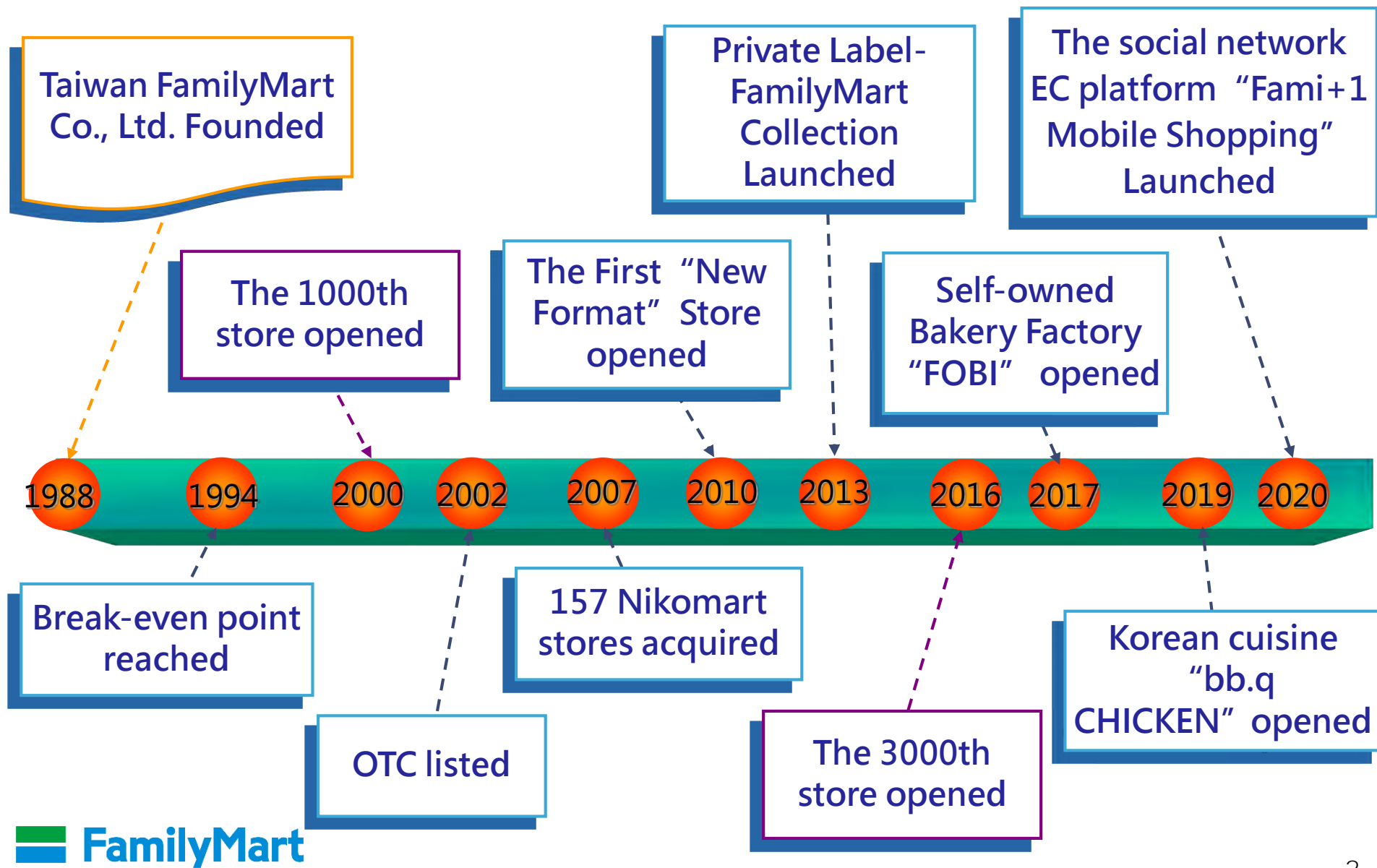


Company Profile

- ◆ 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 (2021,JULY): 3,897



FamilyMart Milestones



The Shareholder Structure

P · F · Investment
5.0%

TaiSun
22.5%

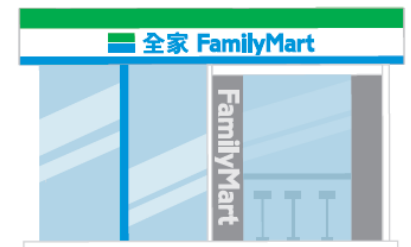
 **FamilyMart**

Japan
FamilyMart
45.0%

Sanyo Whisbiih
3.3%

Others
18.9%

Kuang Chuan
5.3%



Definition of FC1 and FC2

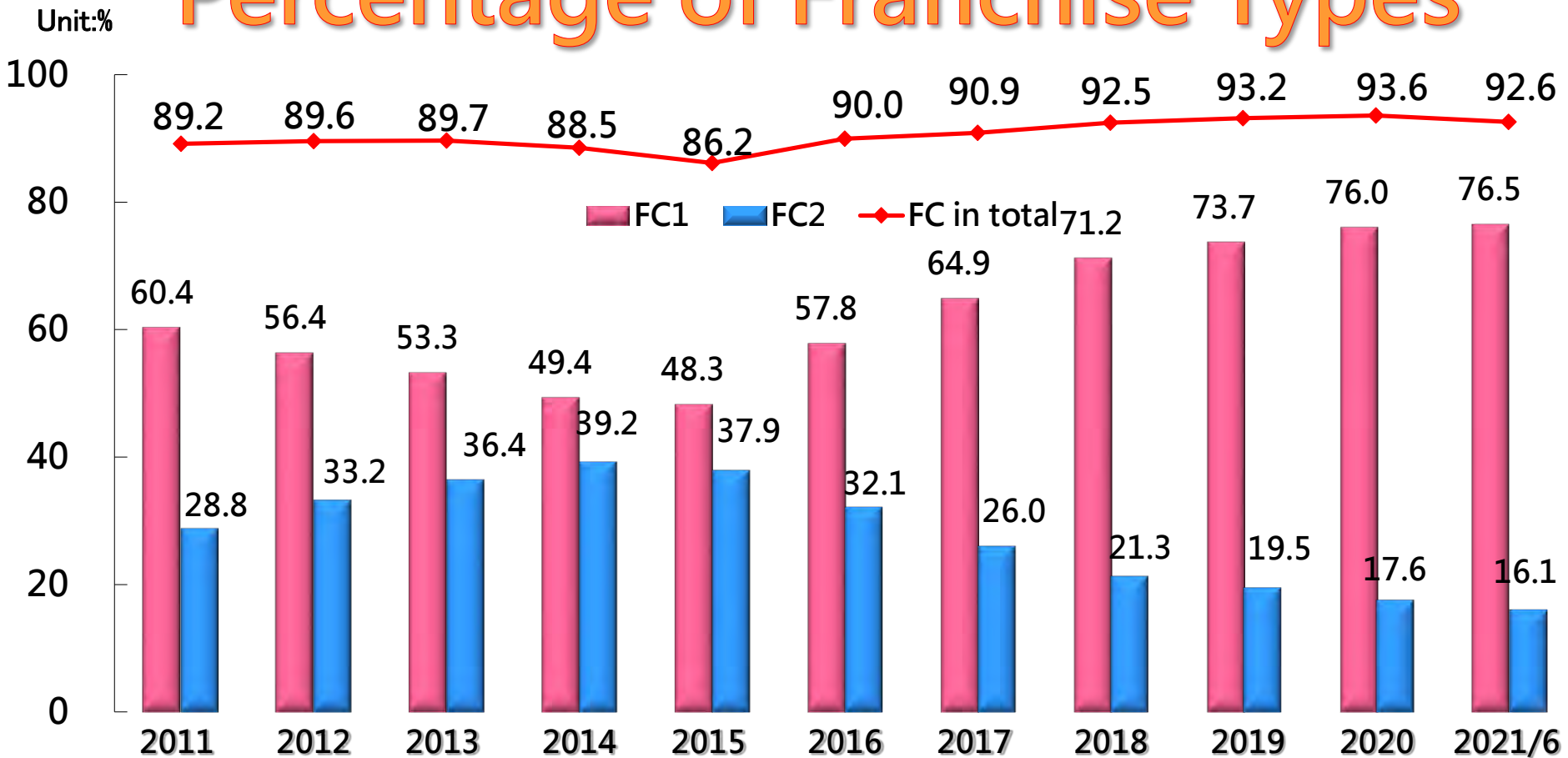
| | Characteristics | Profits |
|-----|---|---|
| FC1 | <ul style="list-style-type: none">■ Franchisee should have self-owned or rented property■ Franchisee should bear the expenses of store decoration | <ul style="list-style-type: none">◆ Allocation of 65% gross profits◆ A minimum annual gross profits guaranteed: NT \$3 million |
| FC2 | <ul style="list-style-type: none">■ 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 | <ul style="list-style-type: none">◆ Allocation of 43% gross profits◆ A minimum annual gross profits guaranteed: NT \$2.6 million |



Market Share by No. of Stores

| CVS Chain | | 2007 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021/6 |
|------------|--------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| FamilyMart | No. of Store | 2228 | 2903 | 2940 | 2986 | 3057 | 3154 | 3326 | 3548 | 3770 | 3886 |
| | Net Opening | +216 | +52 | +37 | +46 | +71 | +97 | +172 | +222 | +222 | +116 |
| | Market Share | 24.6% | 29.1% | 29.0% | 29.4% | 29.6% | 30.0% | 30.5% | 31.0% | 31.5% | 31.6% |
| 7-11 | No. of Store | 4705 | 4922 | 5040 | 5028 | 5107 | 5221 | 5369 | 5655 | 6024 | 6210 |
| | Net Opening | +317 | +70 | +118 | -12 | +79 | +114 | +148 | +275 | +369 | +186 |
| | Market Share | 52.0% | 49.3% | 49.7% | 49.5% | 49.5% | 49.6% | 49.3% | 49.4% | 50.3% | 50.5% |
| Hi-Life | No. of Store | 1300 | 1295 | 1283 | 1281 | 1278 | 1282 | 1312 | 1405 | 1422 | 1447 |
| | Net Opening | +38 | +3 | -12 | -2 | -3 | +4 | +30 | +93 | +17 | +25 |
| | Market Share | 14.4% | 13.0% | 12.7% | 12.6% | 12.4% | 12.2% | 12.0% | 12.3% | 11.9% | 11.8% |
| O.K. | No. of Store | 820 | 861 | 879 | 866 | 879 | 866 | 882 | 785 | 750 | 747 |
| | Net Opening | -19 | -36 | +18 | -13 | +13 | -13 | +16 | -97 | -35 | -3 |
| | Market Share | 9.1% | 8.6% | 8.7% | 8.5% | 8.5% | 8.2% | 8.2% | 7.4% | 6.3% | 6.1% |
| NikoMart | No. of Store | 0 | | | | | | | | | |
| | Net Opening | -300 | | | | | | | | | |
| | Market Share | 0% | | | | | | | | | |
| Total | No. of Store | 9053 | 9981 | 10142 | 10161 | 10321 | 10523 | 10889 | 11393 | 11966 | 12290 |
| | Net Opening | +256 | +89 | +161 | +19 | +160 | +202 | +366 | +504 | +573 | +324 |

Percentage of Franchise Types












| | 2014 | | 2015 | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | | 2021/6 | |
|-----|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------|------|
| | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % |
| RC | 337 | 11.5 | 413 | 13.8 | 307 | 10.1 | 287 | 9.1 | 249 | 7.5 | 241 | 6.8 | 242 | 6.4 | 287 | 7.4 |
| FC1 | 1452 | 49.4 | 1442 | 48.3 | 1768 | 57.8 | 2048 | 64.9 | 2367 | 71.2 | 2616 | 73.7 | 2866 | 76.0 | 2973 | 76.5 |
| FC2 | 1151 | 39.1 | 1131 | 37.9 | 982 | 32.1 | 819 | 26.0 | 710 | 21.3 | 691 | 19.5 | 662 | 17.6 | 626 | 16.1 |

Performance Comparison - YoY Analysis

| Unit :NT\$Thousand | 2021Q2 | 2020Q2 | Y-oY(%) |
|--------------------------|------------|------------|---------|
| Sales | 20,500,988 | 21,110,543 | -2.89% |
| Gross Profits | 7,419,990 | 7,709,729 | -3.76% |
| Operating Expenses | 6,998,505 | 6,973,953 | 0.35% |
| Operating Profits | 421,485 | 735,776 | -42.72% |
| Pre-tax Profits | 458,116 | 778,116 | -41.12% |
| Net Profits | 353,384 | 605,945 | -41.68% |
| EPS | 1.58 | 2.71 | -41.70% |
| Gross Margin | 36.19% | 36.52% | -0.33% |
| Operating Expenses Ratio | 34.14% | 33.04% | 1.10% |
| Operating Margin | 2.06% | 3.49% | -1.43% |
| Pre-tax Margin | 2.23% | 3.69% | -1.45% |
| Net Margin | 1.72% | 2.87% | -1.15% |

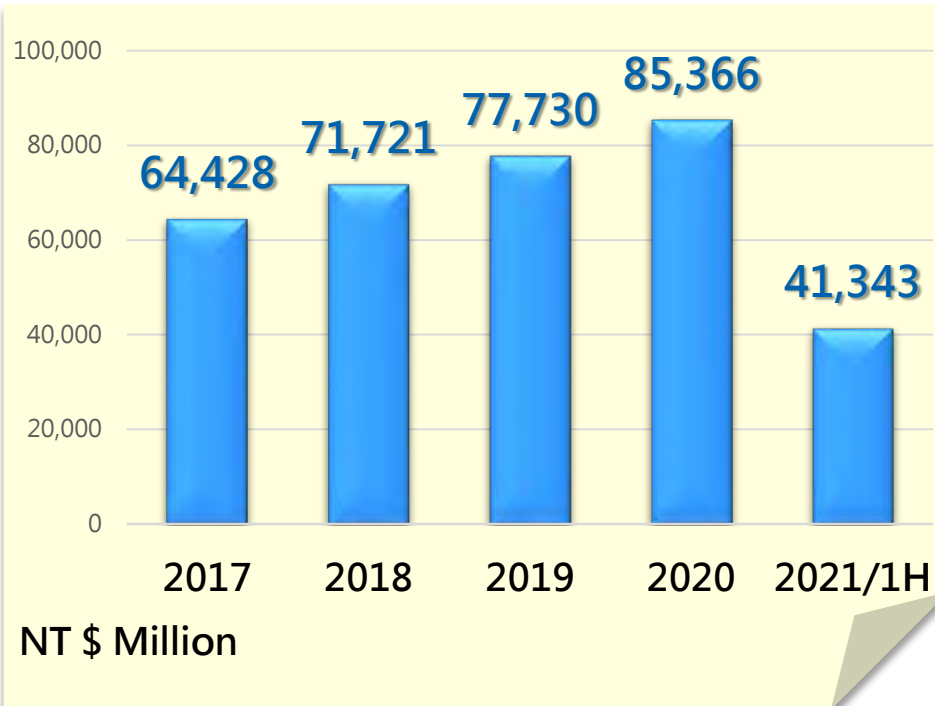
Performance Comparison - YoY Analysis

| Unit :NT\$Thousand | 2021/1H | 2020/1H | Y-oY(%) |
|--------------------------|---|---|--|
| Sales | 41,342,941 | 40,902,491 | 1.08% |
| Gross Profits | 14,810,567 | 14,836,951 | -0.18% |
| Operating Expenses | 13,969,806 | 13,605,255 | 2.68% |
| Operating Profits | 840,761 | 1,231,696 | -31.74% |
| Pre-tax Profits | 890,596 | 1,143,005 | -22.08% |
| Net Profits | 671,638 | 889,663 | -24.51% |
| EPS | 3.01 | 3.99 | -24.49% |
| Gross Margin | 35.82% | 36.27% |  -0.45% |
| Operating Expenses Ratio | 33.79% | 33.26% |  0.53% |
| Operating Margin |  2.03% |  2.79% | -0.98% |
| Pre-tax Margin |  2.15% |  2.18% |  -0.64% |
| Net Margin | 1.62% |  2.18% |  -0.55% |

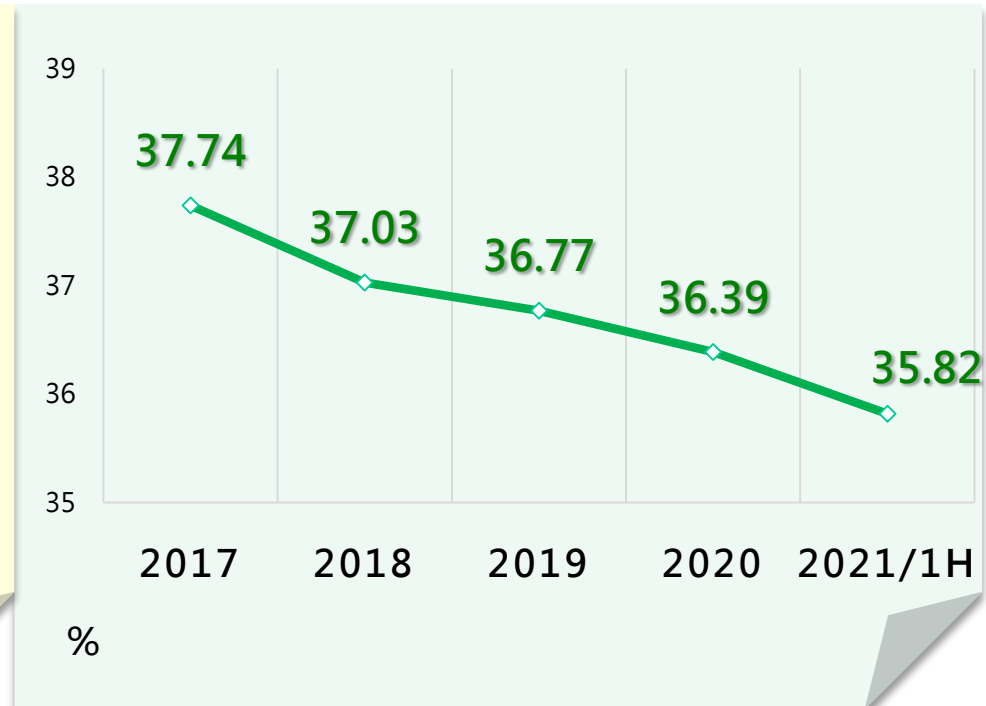
Profitability Trend



REVENUE



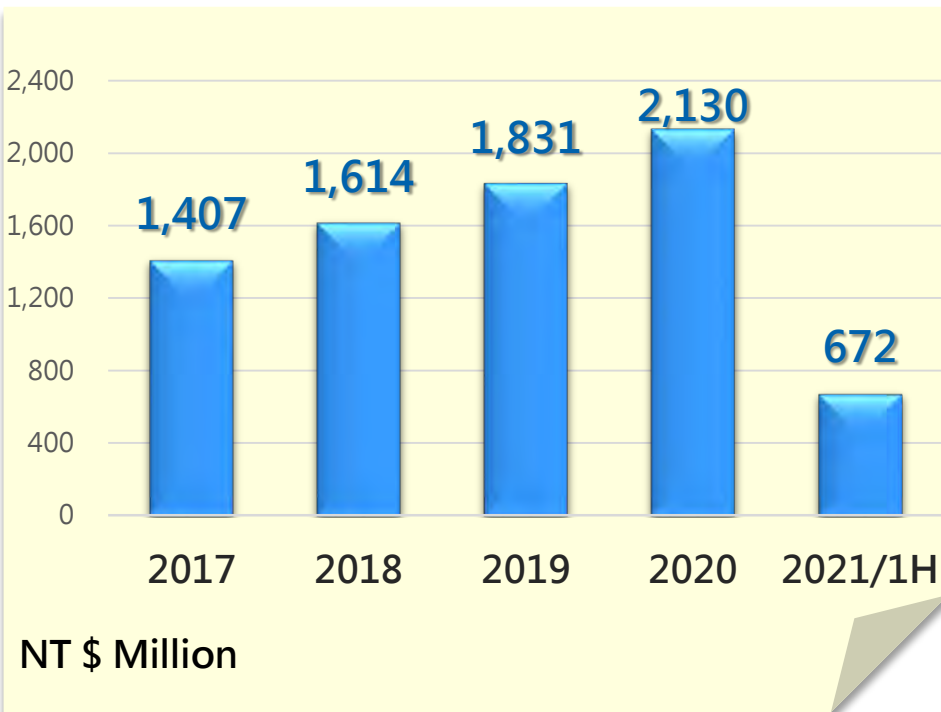
GROSS MARGIN



Profitability Trend



NET INCOME

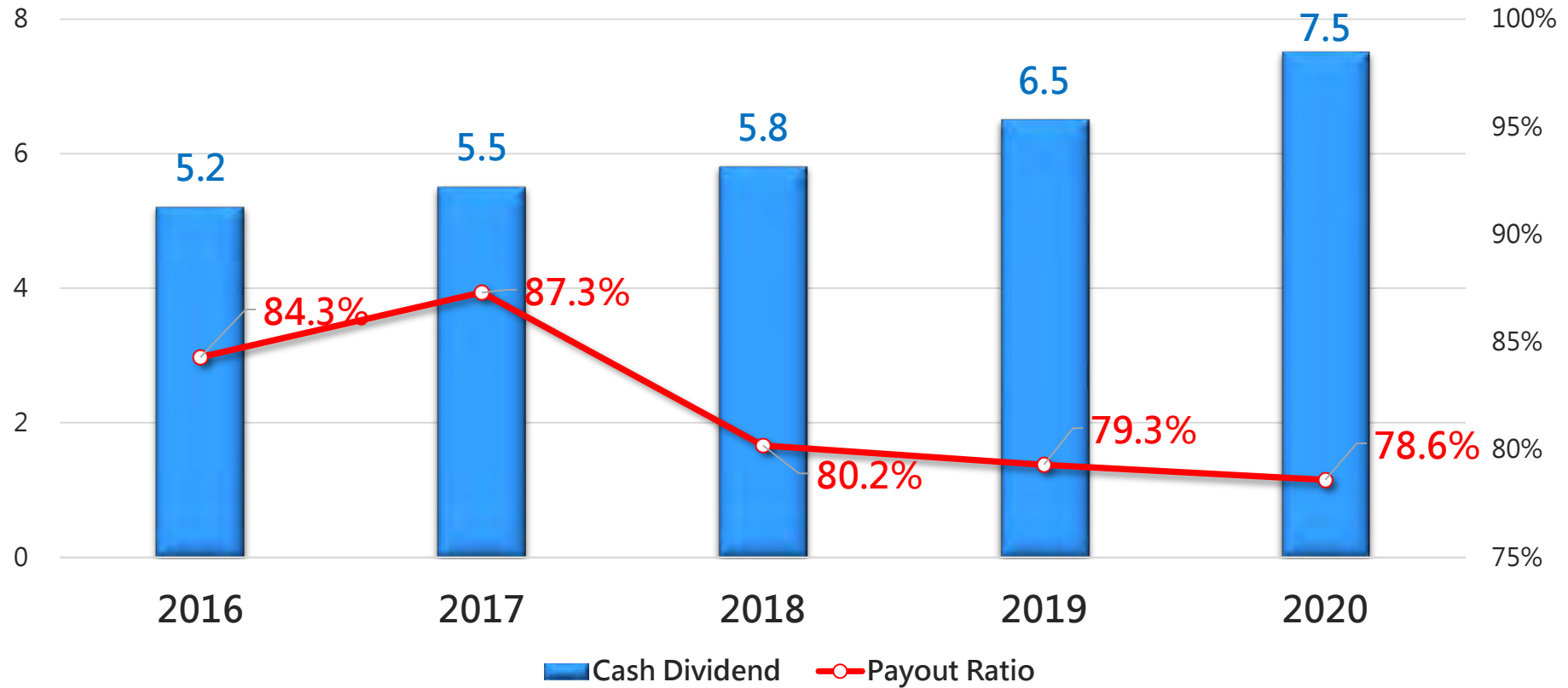


EPS



Cash Dividend Trend

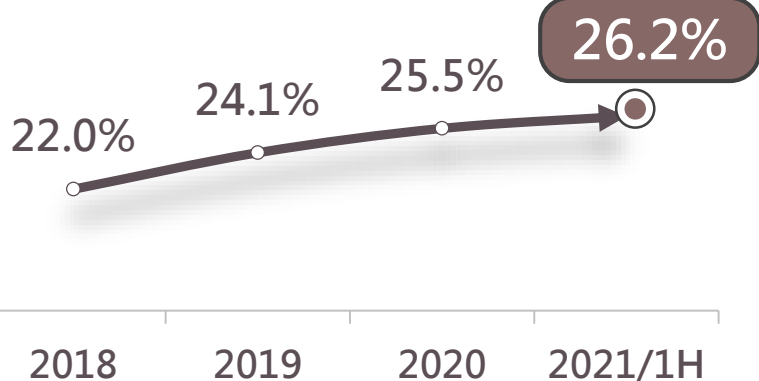
UNIT : NTD



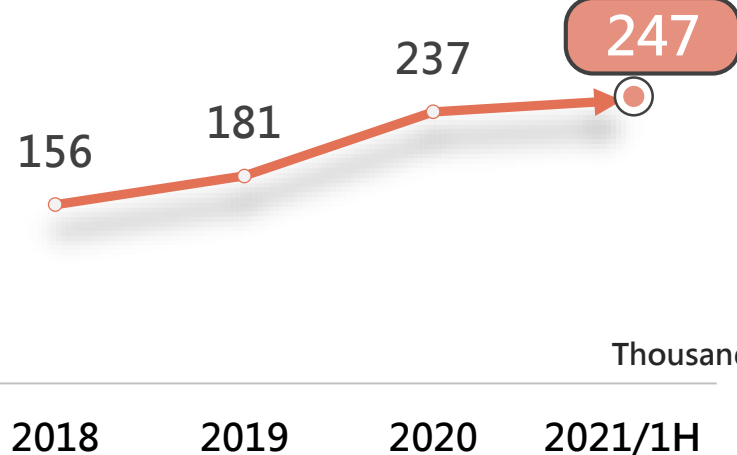
Key Drivers for Further Growth

Fresh Food

Fresh food % of total sales



Number of Pick-up per day



E-Commerce



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.



Bread & Sandwich



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

Thousand



Innovation in Store Format

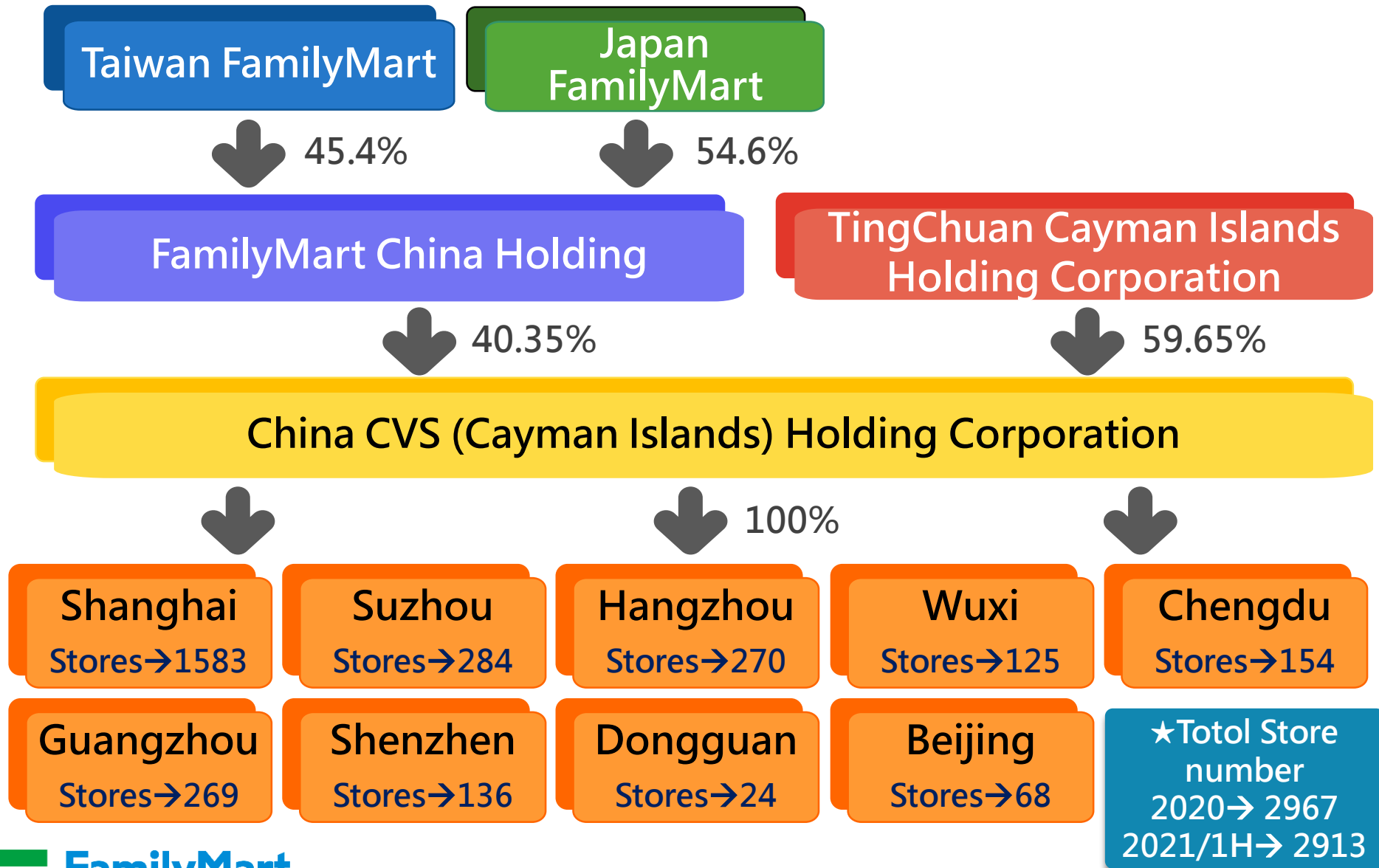
Integrated stores with Let's café



Integrated stores with Laundry



China Market Information





Q & A