



Eastern Media International Corporation

Investor Conference (Symbol: 2614)

December 25, 2020



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EMI Development course

Founded : 1975/5/14

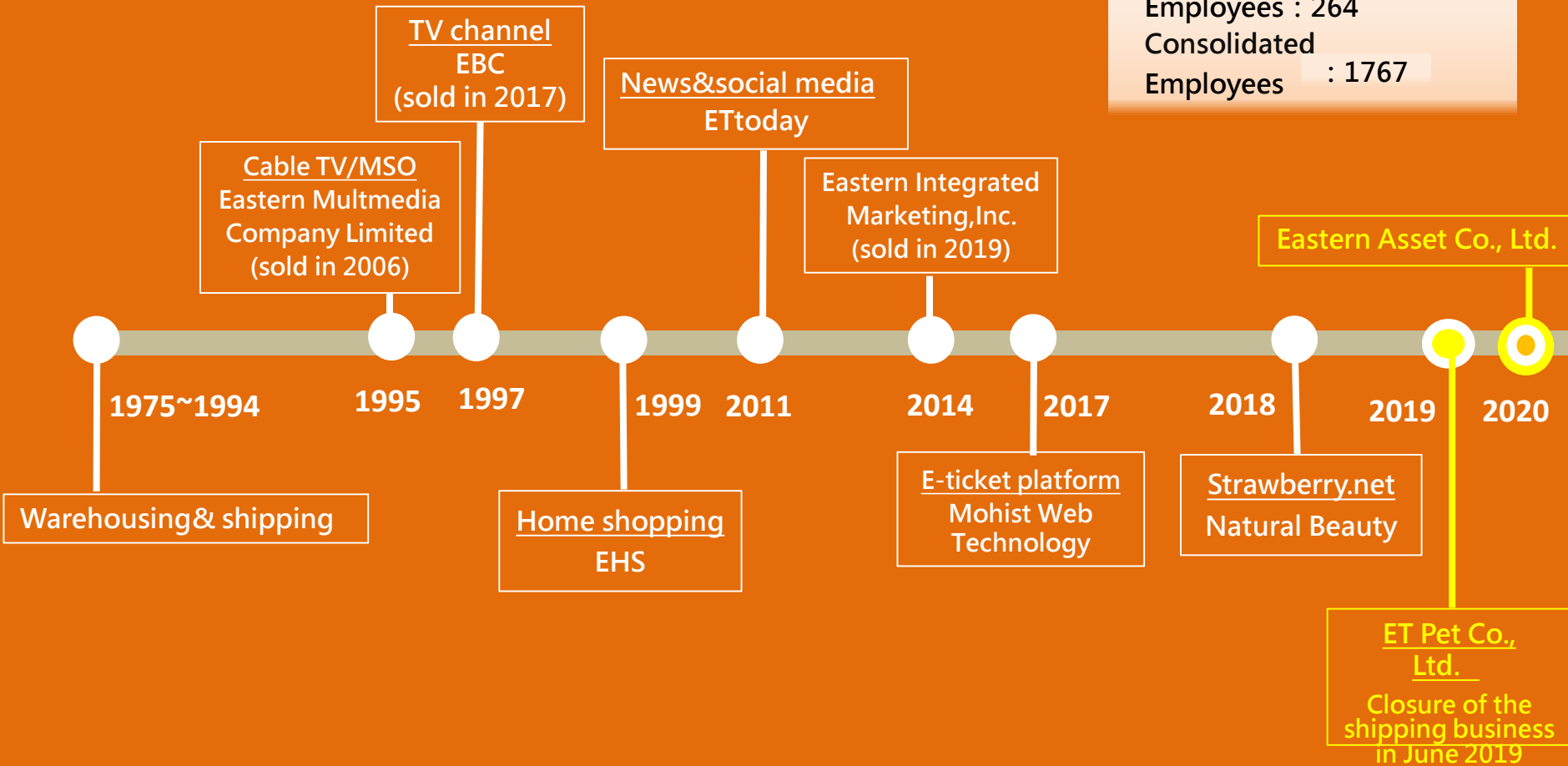
IPO : 1995/9/23

Capital : NT\$5.57bn

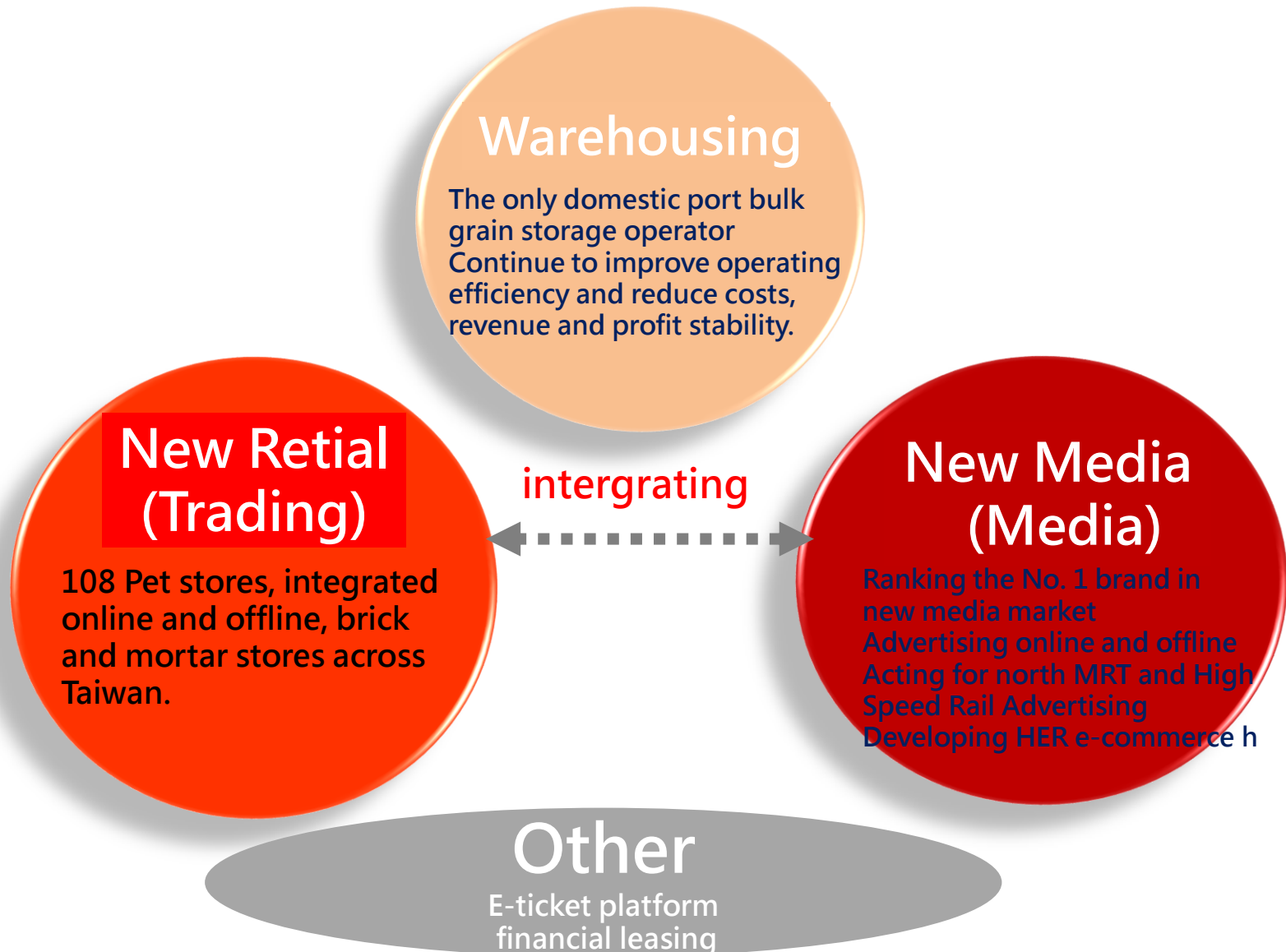
Employees : 264

Consolidated

Employees : 1767



2020年Main Buissness Layout



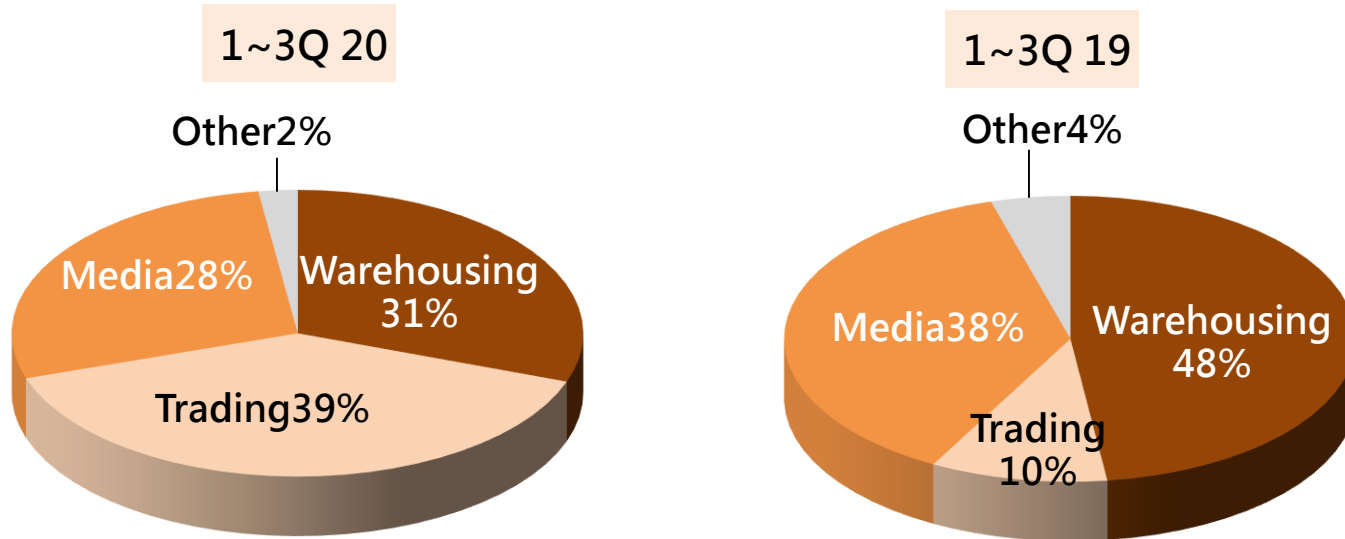
Income Statements Overview (Consolidated)

(NT\$million)	1-3Q20	1-3Q19	%chg
Operating revenues	3,398	1,944	75%
Operating costs	2,287	1,326	73%
Gross profit	1,112	619	80%
Operating expenses	1,063	645	65%
Net operating income	49	(26)	284%
Non-operating income & expenses	156	196	(20) %
Profit	343	9	3826%
Other comprehensive income	(45)	7	(734) %
Total comprehensive income	298	16	1778%
Profit attributable to parent	366	25	1379%
Basic earnings per share	0.66	0.04	

Balance Sheet Overview (Consolidated)

(NT\$ million)	3Q20		3Q19	
Balance Sheets	Amount	%	Amount	%
<u>Current Assets</u>	2,888	18.3%	2,509	22.9%
Cash & cash equivalents	1,421	9.0%	1,034	9.4%
<u>Non-current Assets</u>	12,935	81.7%	8,467	77.1%
Investments (equity method)	2,406	15.2%	2,475	22.5%
Property, plant and equipment	1,631	10.3%	1,212	11.0%
Right-of-use asset	7,326	46.3%	4,032	36.7%
Total Assets	15,823	100.0%	10,976	100.0%
<u>Current Liabilities</u>	2,391	15.1%	1,089	9.9%
Account payable	548	3.5%	408	3.7%
Lease liabilities	1,090	6.9%	511	4.7%
<u>Non-current Liabilities</u>	6,834	43.2%	3,795	34.6%
Lease liabilities	6,312	39.9%	3,563	32.5%
Total Liabilities	9,224	58.3%	4,884	44.5%
Total Equity	6,599	41.7%	6,092	55.5%
Value per share (NT\$)	11.00		10.89	
Key Indices				
Current ratio %	121%		230%	
Quick ratio %	101%		194%	
Debt ratio %	58%		44%	

Revenue by Segment



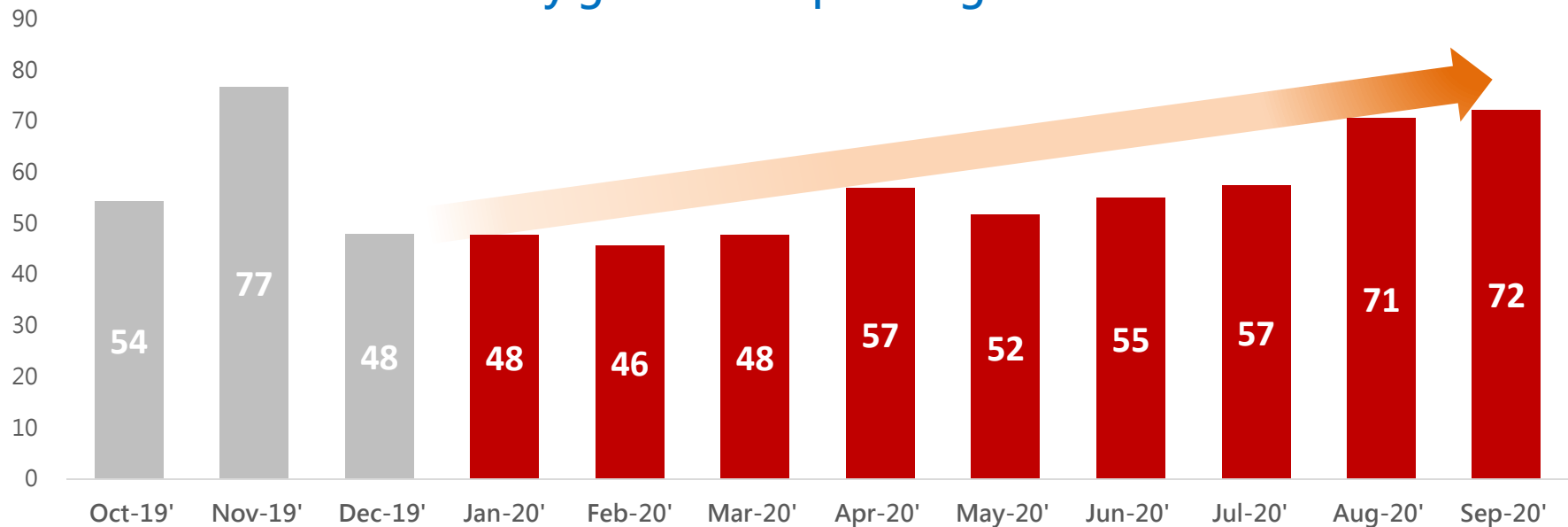
(NT\$m)	1~3Q 20	%	1~3Q 19	%
Revenue	3,398	100%	1,944	100%
Warehousing	1,036	31%	932	48%
Trading	1,340	39%	194	10%
Media	947	28%	730	38%
Other	75	2%	87	4%

Segments Overview

Warehousing –Volume

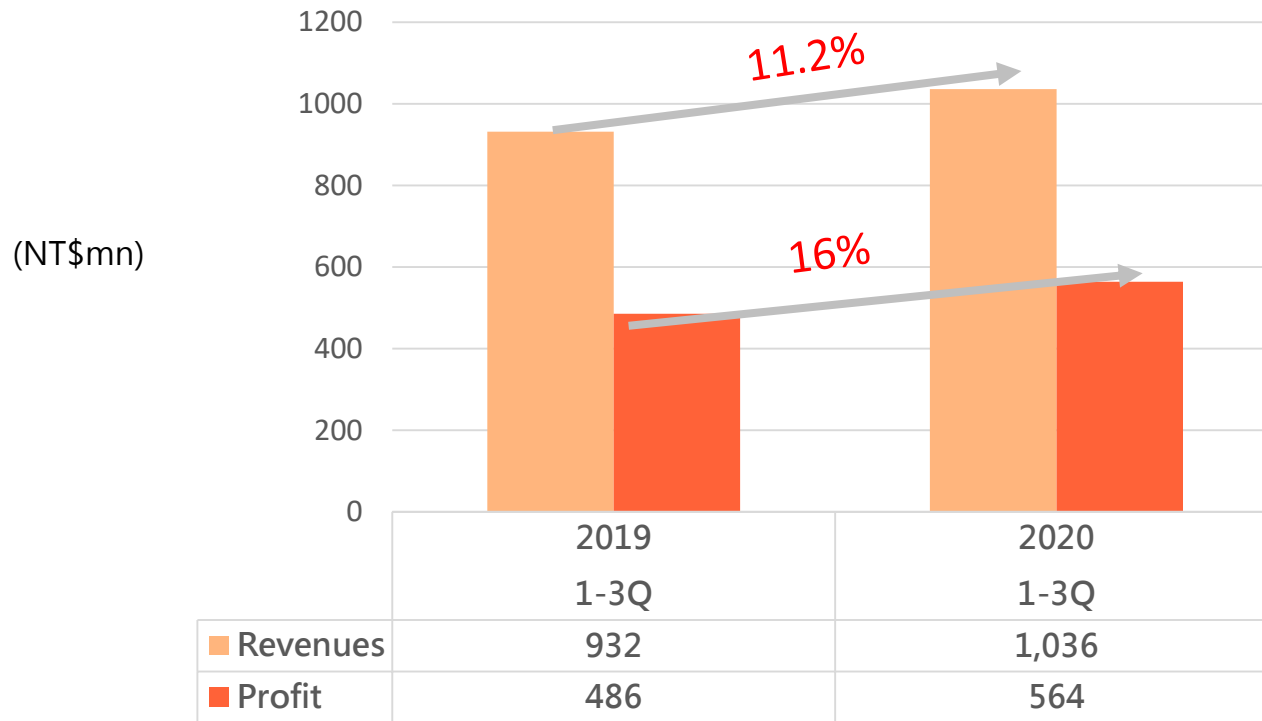
Unit: 10,000 Tons

Steady growth in operating volume



- The warehousing business is mainly engaged in automated granaries operations, such as in bulk grain unloading, grain storage and truck/train loading and unloading.
- EMI is the largest port warehouse operating company in Taiwan, which operates four 14.5m deep-water wharf automated granaries with a total capacity of 330 thousands tons.
- EMI currently processes around 70~80% of all bulk grain imports in Taiwan, which the unloaded bulk grain imports volumes reaches around 6 millions tons.
- We will continue to strive in improving profitability, operating efficiency and reducing costs.

Warehousing-Highlights



Year Unit: 10,000 Tons	Operating volume	Bulk		Bulk & Container	
		Import volume	Market share	Import volume	Market share
2020 1~3Q	505	505	100%	647	78%
2019 1~3Q	510	510	100%	671	76%

Trade Operation Overview



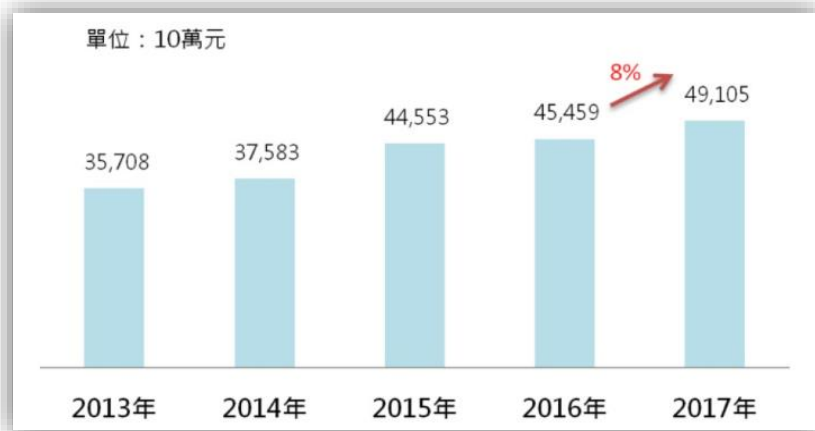
- The main body of trade sector is ET Pet Co., Ltd.
- The Pet market continued to grow over the years. ET Pet's fan page has become the largest one in TW, owning 1.74M fans. Officially started in Jan. 2019, ET Pet has transformed from mere online content to offline channel operation. Through M&A, it is expected to reach 108 stores in total, becoming the top brand in TW, and served as a success exemplar for online-offline transition business.
- Online content + Online & Offline Channel + Brand Commodities = a sustained, innovative business model.

1. Continuously expand number of stores
2. Increase the number of large stores
3. Compound store that offers a wide range of product & customer experience

Number of Dogs and Cats in Household reached 10%+ growth rate
 Surpassed number of children under age 15 in 2021

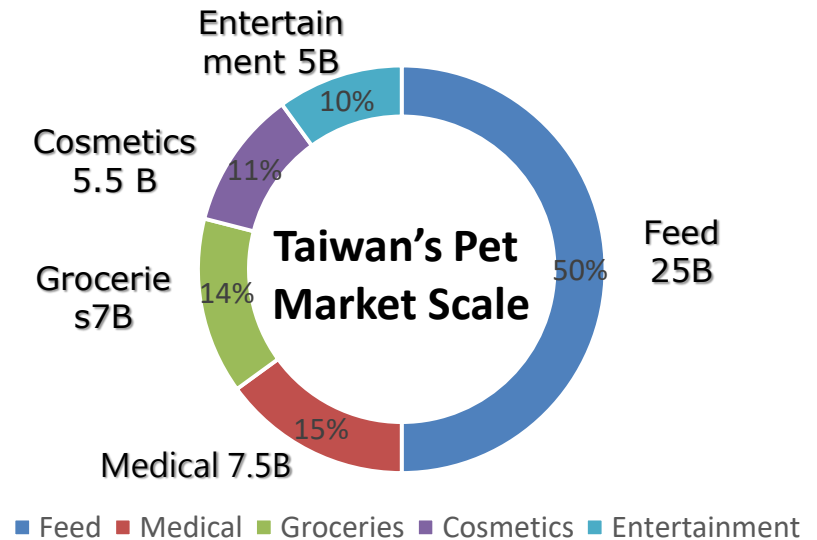


Taiwan import on pet's retail goods surpassed 8% growth rate



Continuous growth in TW' s Pet Market

According to CPFAA' s Statistic, TW' s Pets Market has reached a potential of **50 Billion**, with **6% + compound annual growth rate**.



Source :

1. Statistics from Council of Agriculture and Pets Foods & Appliances Association R.O.C (CPFAA)
2. <http://smart.businessweekly.com.tw/Magazine/detail.aspx?id=69482>
3. <https://www.chinatimes.com/newspapers/20190426000174-260309?chdtv>
4. Business Today

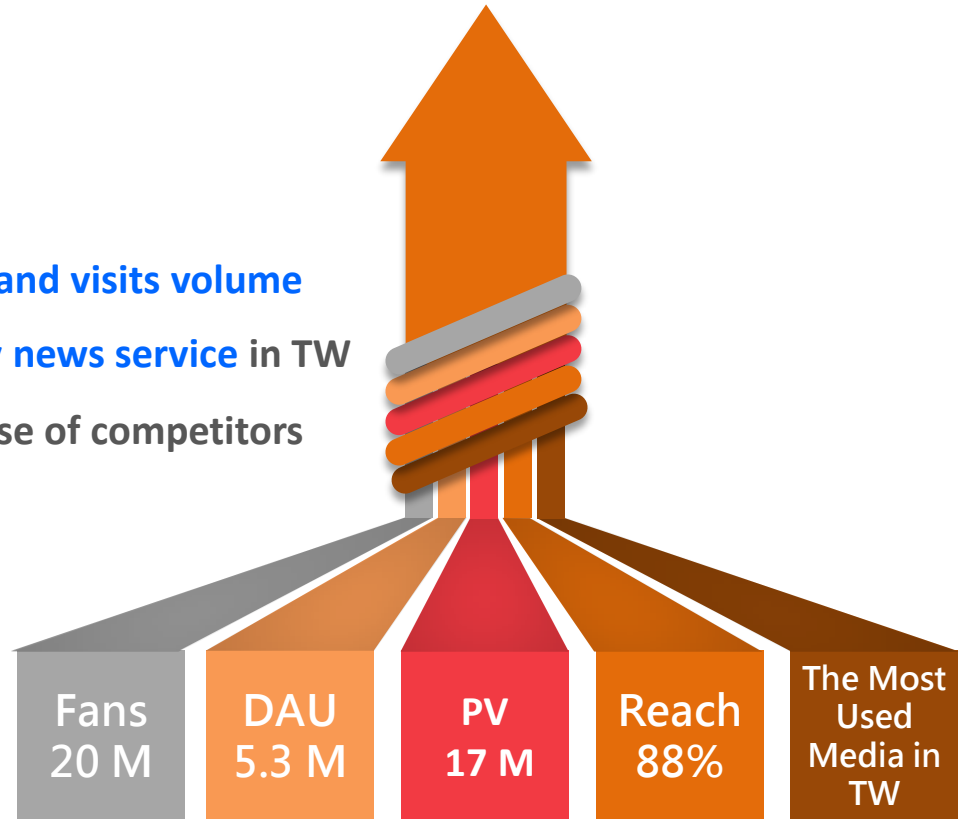
Retails Stores in the Next 6 Years: Expected growth in market share and Bargaining powers of suppliers



Media- ETtoday Performance



- ① Ranked 1st in News Media's **traffic and visits volume**
- ② Ranked 1st as the **most trustworthy news service** in TW
- ③ **Digital Revenues** far surpassed those of competitors
- ④ The **Most Used** Media in TW



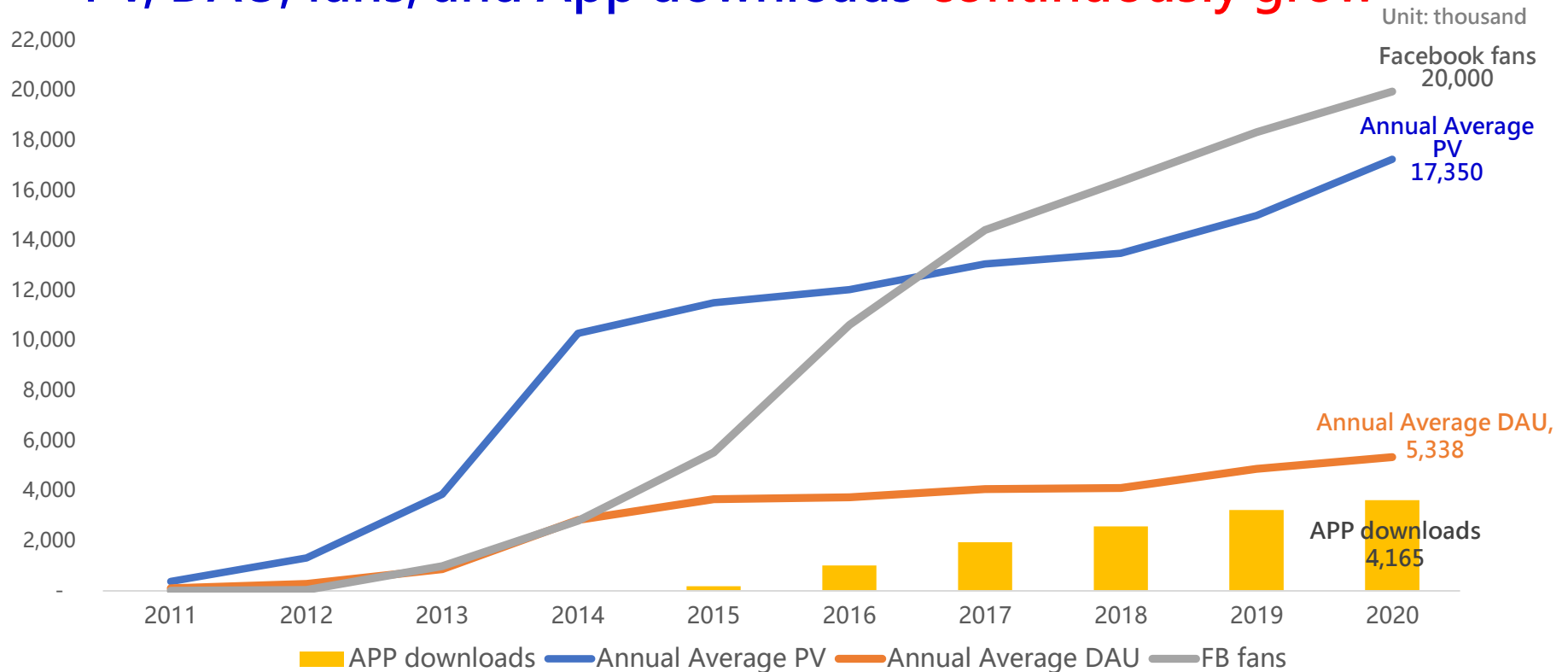
Source: 01 from comScore updated data on Sep, 2020.
02 from Cambridge University's Reuters Institute Digital News Report 2020
03 from Cambridge University's Reuters Institute Digital News Report 2020
04 from Etoday

Media- ETtoday Market Performance

ETtoday has become the first digital media in the 3rd quarter of 2019.

- In 2020, the yearly traffic and number of fans has reached 2,000M
- has strong social media influence, including high exposure and interactions.
- ETtoday owned unique IP content (both picture, video, and audio wise)
- “Jungle Voice” has been granted with “The Golden Bell Award”

PV, DAU, fans, and App downloads continuously grow



Source (1) Number of Facebook fans comes from Editorial and Crowdtangle
(2) PV 、 DAU 、 APP from GA

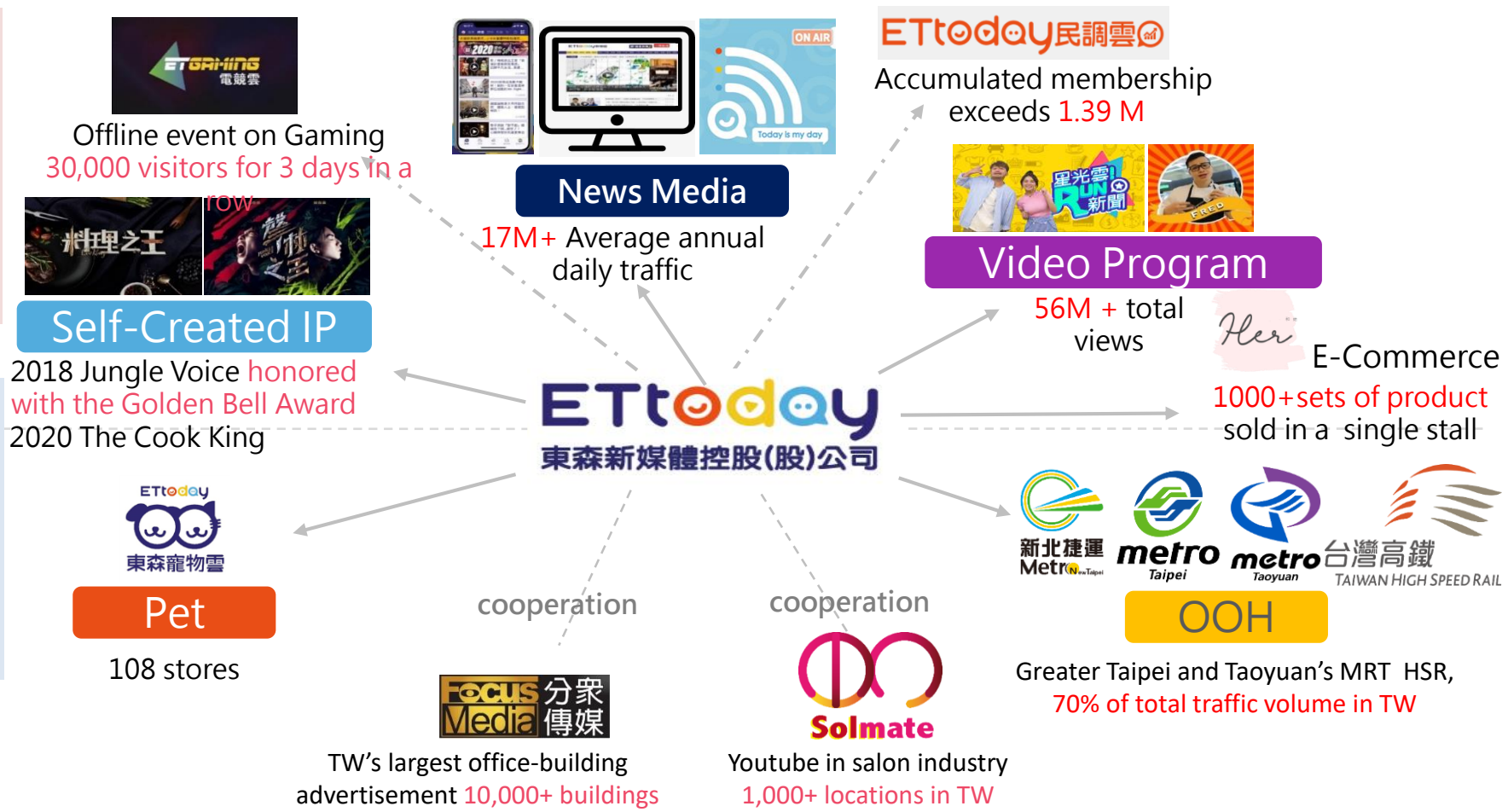
Note : The App' s ultimate version was developed in 2015.

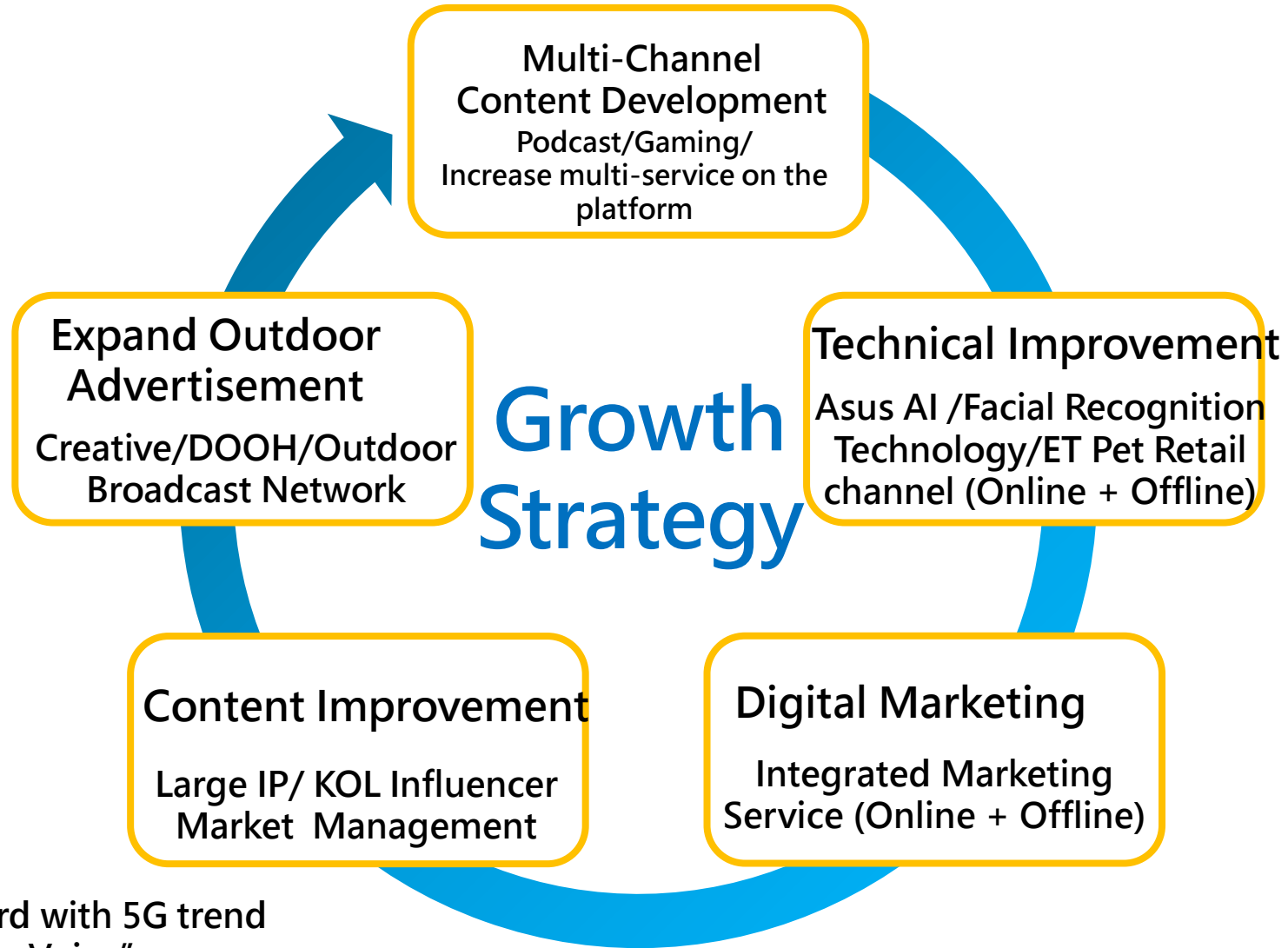
NEW Channel x Product x Business model

Developed both online and offline channel
 Created invincible competitor advantage

Online

Offline



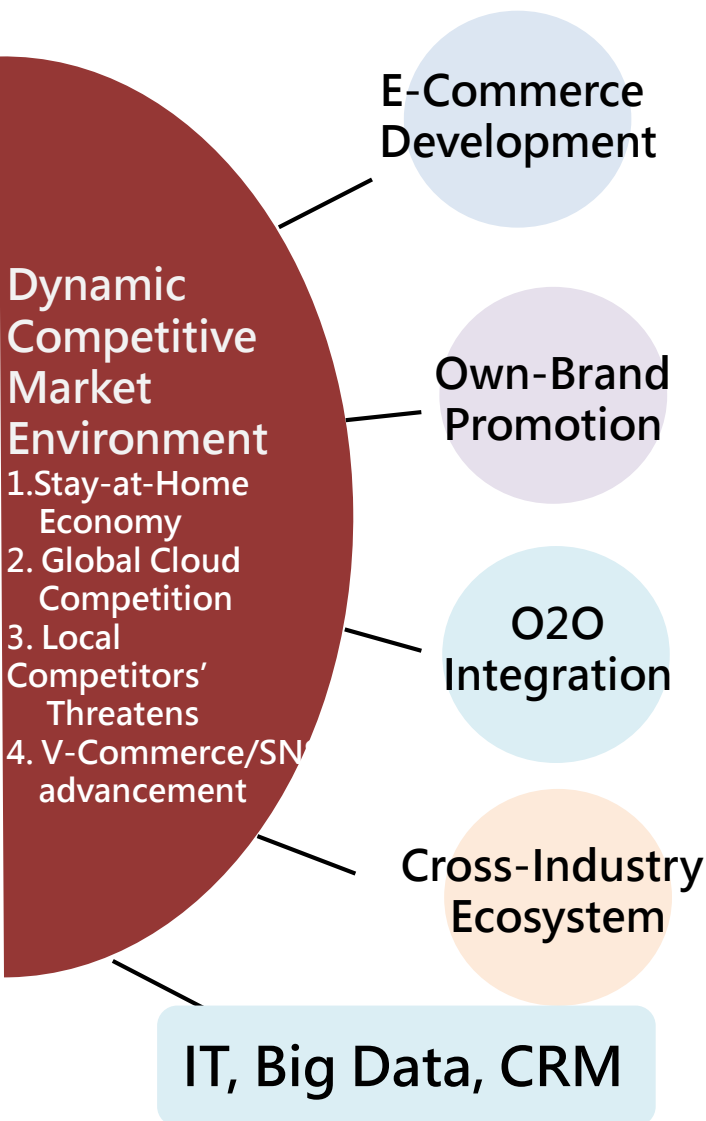


In accord with 5G trend

"Jungle Voice"

"Cook King" " Style King"

Investment Business Development Strategy— Eastern Home Shopping (EHS)



1. Global Allocation: **ETMall**, **Strawberrynet**, **ecKare**(cooperation), and **Her**.
2. **B2B2C Online Store in 1Q21**: Cooperate with famous physical retailers, such as **“a.mart”** and **“RT-MART”**.
3. M&A **“happy-shopping”**, targeting **fresh food e-commerce**.

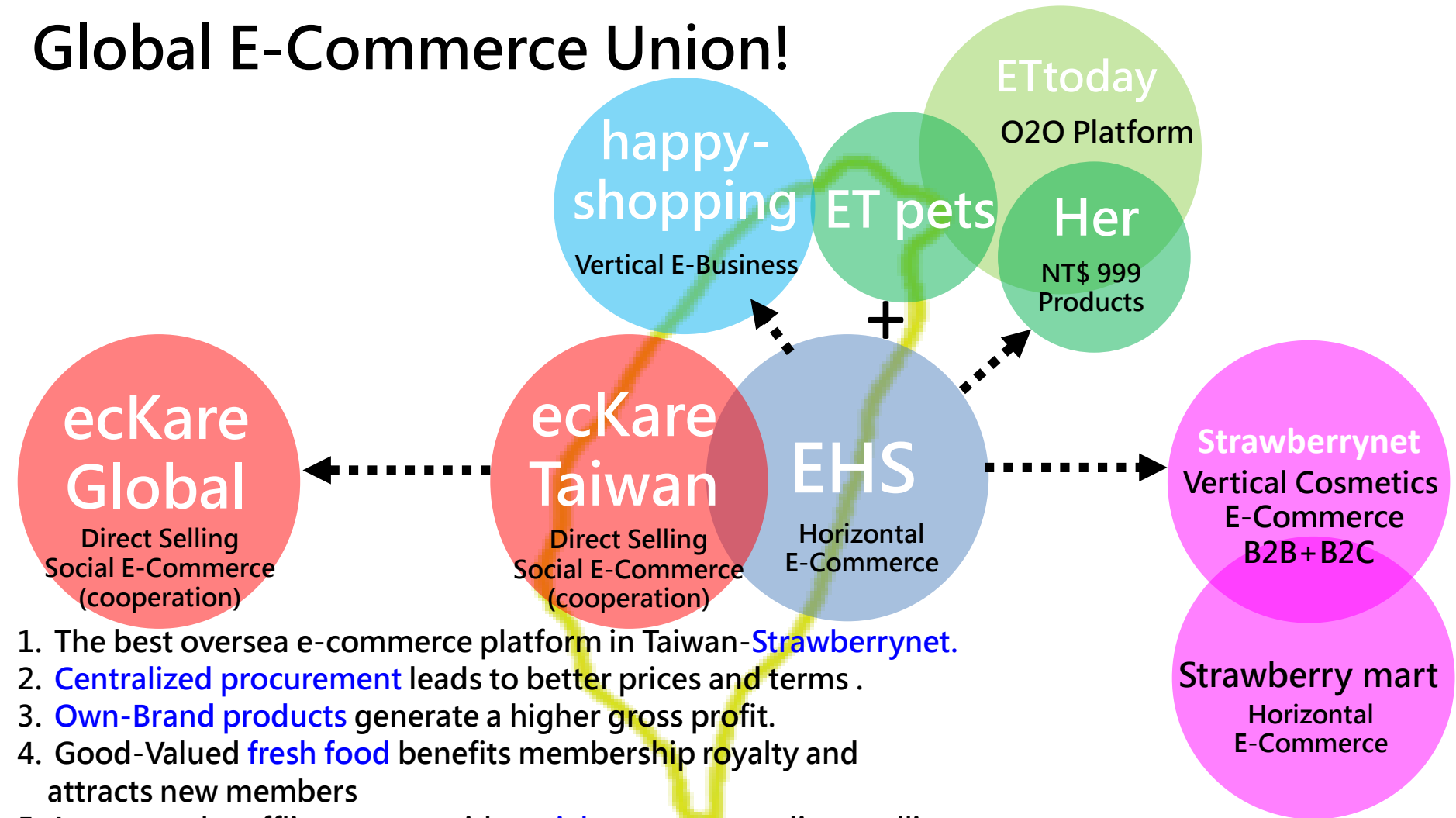
1. High **Gross Profit**: Main categories-**Skincare**, **Health**, and **Overseas Exclusive Products**.
2. Good Value: **Attract new members** via **cycled products**, such as **fresh food** and **daily commodities**.

1. Service 2.0: Natural Beauty chain stores **provide offline beauty services** to promote customer's royalty.
2. **Hotel** Cooperation: Experience Nature Beauty in a luxury surroundings.

1. Beauty 4-in-1: Launched a demo store in the headquarter, providing **manicure**, **eyelash**, **hairedressing**, and **beauty salon** services. This innovative model will be duplicated to large enterprises, government offices, and hospitals.
2. Cross-Industry Cooperation: Our overwhelming local sales teams create **1.17 million** offline selling points in 2025.

Investment Business Development Strategy— Eastern Home Shopping(EHS)

Global E-Commerce Union!

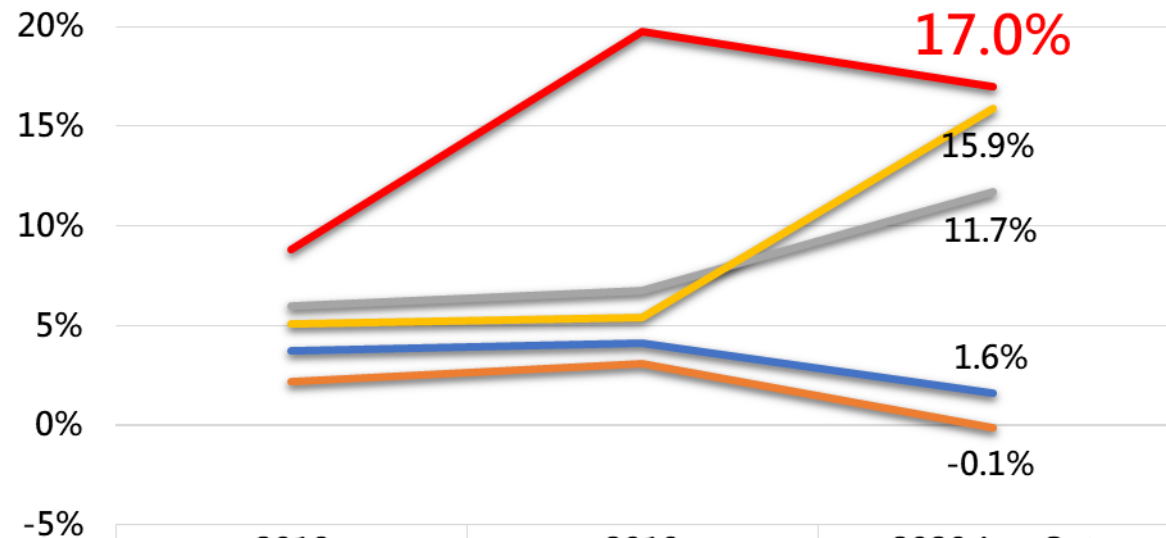


1. The best oversea e-commerce platform in Taiwan-**Strawberrynet**.
2. **Centralized procurement** leads to better prices and terms .
3. **Own-Brand products** generate a higher gross profit.
4. Good-Valued **fresh food** benefits membership royalty and attracts new members
5. Integrate the offline agents with **social e-commerce** direct selling teams.

Investment Business Development Status— Eastern Home Shopping (EHS)

EHS Grows More than Any Physical and Virtual Retailers !

The Taiwanese Retailing Revenue Growth Rate



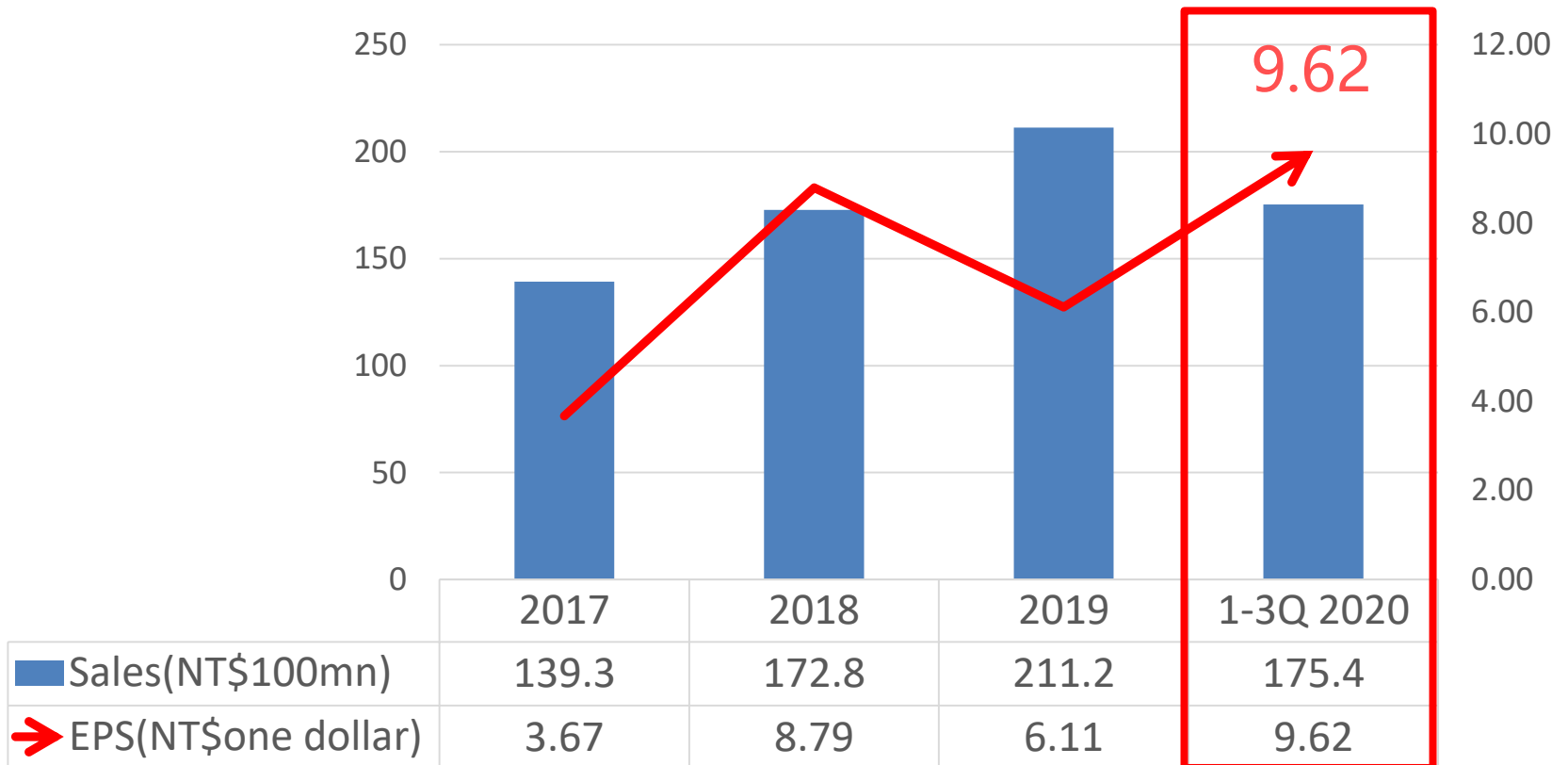
	2018	2019	2020 Jan-Oct
— EHS	8.8%	19.7%	17.0%
— Retailing	2.2%	3.1%	-0.1%
— Retail Sale of Other Integrated	3.8%	4.1%	1.6%
— Retail Sale (No Storefront)	6.0%	6.8%	11.7%
— E-Commerce & Mail-Order	5.1%	5.4%	15.9%

Source: Consolidated financial statements of EHS ; Above retailing figures are based on the research from department of statistic in Taiwan

Investment Business Development Status— Eastern Home Shopping (EHS)

EHS 1-3Q 2020 delivered a swift kick to competitors with EPS NT\$ 9.62

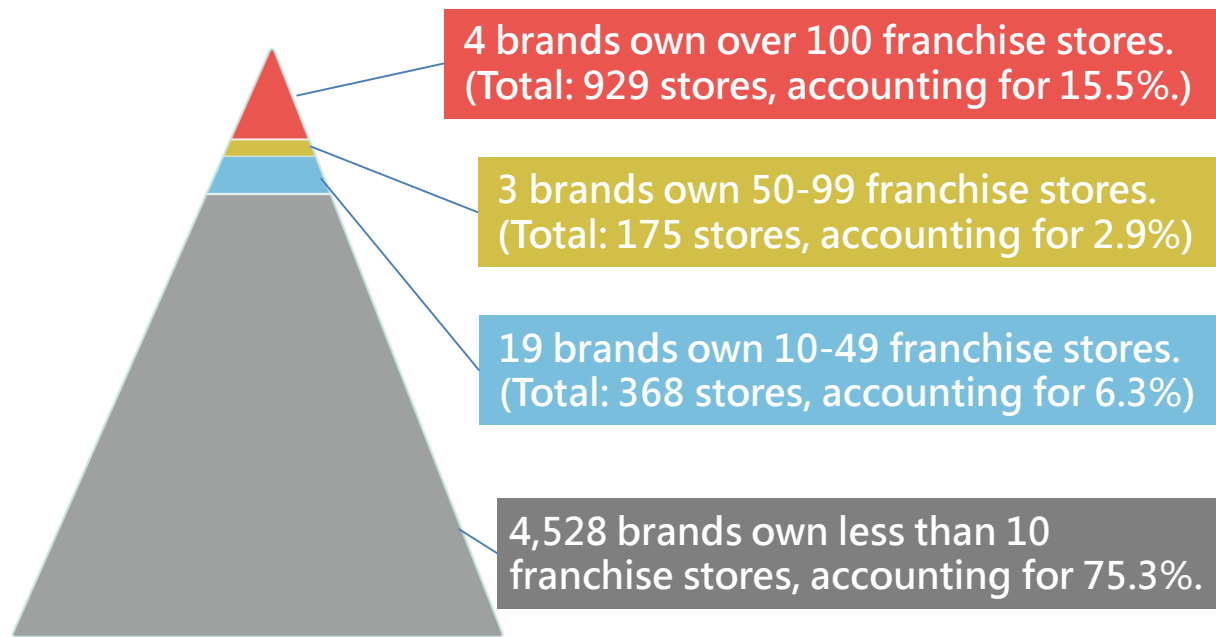
2017-2020 EHS Sales & EPS Performance



Investment Business Development Status-Natural Beauty

Natural Beauty Leaps to Taiwan No. 1 Beauty SPA

In Taiwan, only 4 brands out of approximately 6,000 beauty SPA salons own more than 100 beauty franchise stores. In 2020, most franchise brands reduce the number of stores due to the COVID-19 pandemic. However, Natural Beauty moves against the tide. At the end of November 2020, we have been increasing over 50 franchise stores and reached to 328, **becoming No. 1 Beauty SPA in Taiwan!**



Note1 : Above figures include beauty salons, SPAs, slimming agencies, but exclude cosmeceuticals.

Note2 : Data date 2020/10/31 .

Note3 : Stores without brands were not calculated.

Investment Business Development Strategy-Natural Beauty

From Beauty SPA To All-in-One Aesthetic Salon



Competitive Strategy

1. All-in-One Salon & Vigorous Offline Expansion

- ① Increasing Direct & Franchise Stores
- ② New all-in-one salon integrates hair, manicure, and eyelash, expanding member coverage, promoting consuming-frequency and average transaction value.

2. Brand & Product Line Development

- ① From the natural skincare brand-Natural Beauty, and expand to a cosmeceutical brand-STREMARK, further developing a biotech brand-Bio Up, skincare brand-PS, and cosmetic brand-LAB, targeting the young generation.
- ② Develop essential oils, perfumes, and hair products.

3. Multi-Channel & Global Market Extension

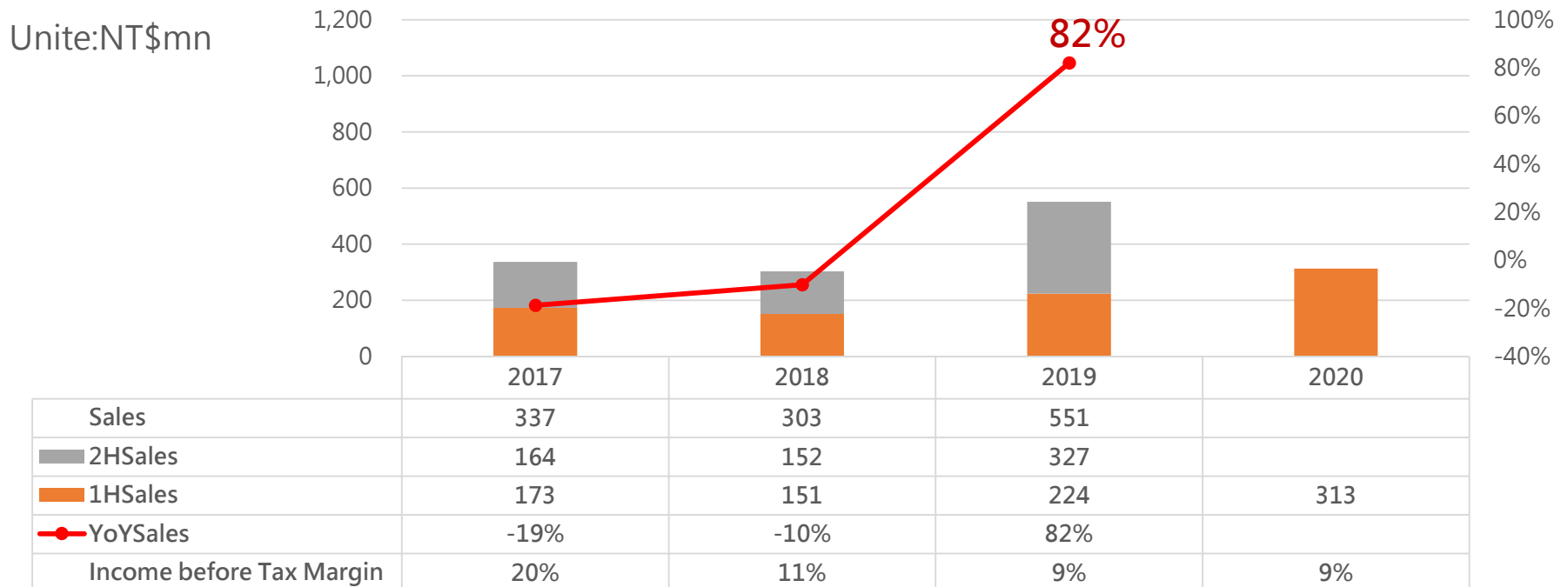
- ① Based on EMG's multi-channel advantage, develop an O2O experiencing business model.
- ② Copy the successful model in Taiwan to China, H.K., and Macau. The next step will extend to Southeast Asia, America, and all over the world.

Investment Business Development Status-Natural Beauty

Natural Beauty Has a Remarkable Revenue Leap!

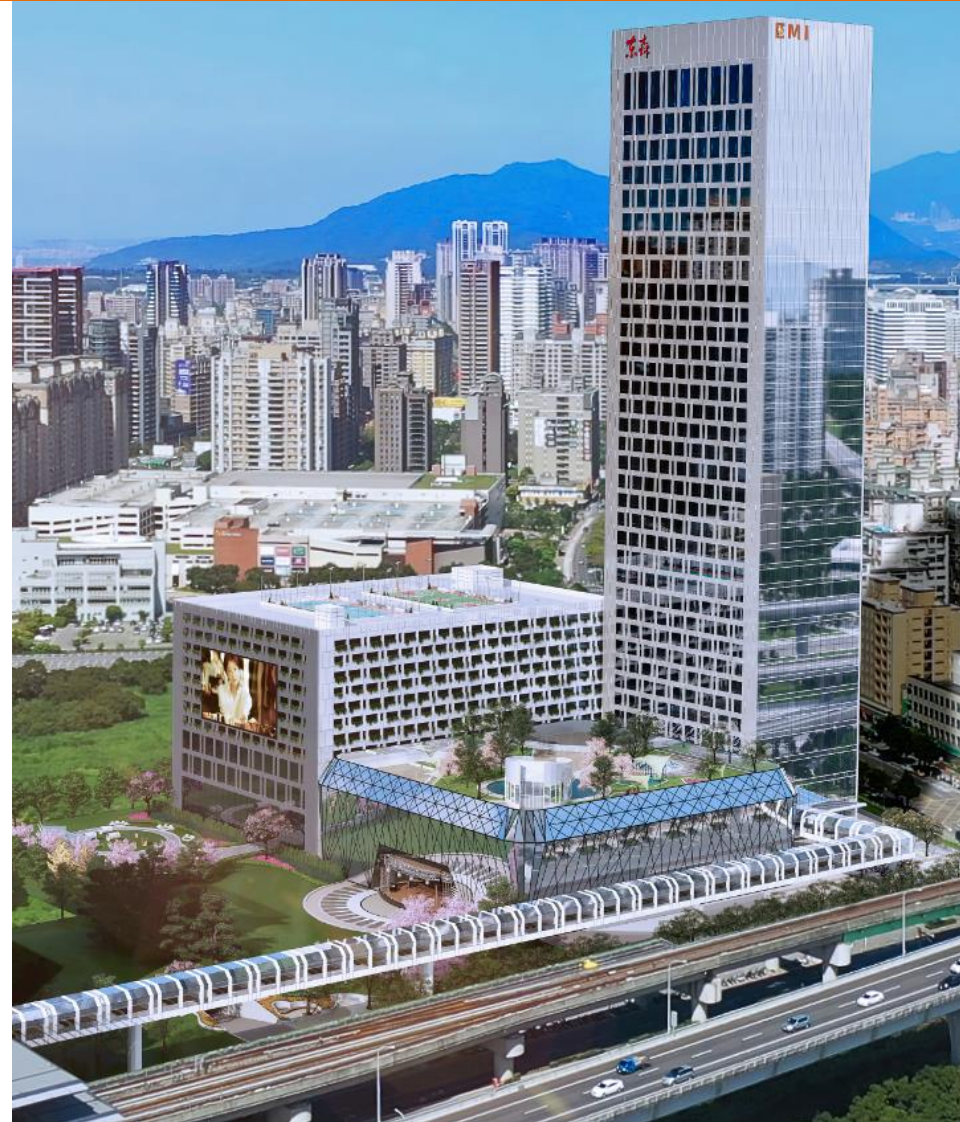
Since Eastern Media International took over Natural Beauty in 2018, the revenue has been increasing rapidly via multi-channel and various operating strategies in Taiwan. In 2019, the revenue reached NT\$ 518 million, increasing 71% year-over-year. In the first half of 2020, the revenue has accumulated to NT\$ 313 million with a high growth rate of 40%, compared with NT\$ 224 million in the same period of 2019. Faithfully, it could be expected a higher growth potential in the second half of 2020.

Sales and Income before Tax Margin of Natural Beauty in Taiwan



Eastern Global Operations Headquarters

In March 2020, the Eastern Group signed the agreement with the New Taipei City Government on the development of the Linkou International Media Park - Base B as a multimedia AI-based cultural and creative center and the Eastern Global Operations Headquarters. Consisting of multi-function exhibition venues, hostels, a shopping center, and the Group's headquarters, this building will reach a height of 180 meters; together with the Linkou Plateau, the total height will reach 430 meters. After completing, it will become a new landmark of Taiwan. The Eastern Group will be expected to operate in January 2025.



Eastern Global Operations Headquarters

Taking advantage of the Taoyuan Airport and Taoyuan Airport MRT and combining the Startup Terrace, Base B will be an Asia's AI talent hub that can accommodate 10,000 employees in the future. ·



Eastern Global Operations Headquarters

Various cultural and creative performances and large-scale events will also be hosted here. With digital media such as ETtoday and IP "Jungle Voice", the Eastern Group teams up with MITSUI&CO. and SETN to make the Linkou International Media Park "Cannes in Taiwan." It will become an entertainment center for young generation that is expected to attract more than 10,000 visitors a year and a contributor to local prosperity.



New retail & New media Value Creation

ET GROUP

New media

New retail

Synergistic effect
Globalization

- Entertainment content development
- Performing arts agency

Jungle Voice

- International beauty website
- Global beauty supply chain

Strawberry.net

- Social media
- News website
- Entertainment platform

ETtoday

- Video shopping
- Customer loyalty program
- Multi-channel
- Commodity development

EHS

- Pet social media
- O2O business model

Eastern Pet Shop

- Physical channel
- Customer experience

東森 自然美
NATURAL BEAUTY

Nature Beauty

- Game development

GAME

Social-e-commerce

EMI

東森國際



- 1.TCSA(13th)- Corporate Sustainability Report- Gold Award
- 2.Taiwan International Ports Corporation Ltd Awards Bulk Cargo Handling-Gold Ship Award

ETtoday
新聞雲



- 1.THE NATIONAL BRAND YUSHAN AWARD(17th)
- Outstanding Enterprise Award & Outstanding Enterprise First Prize
2. 1.THE NATIONAL BRAND YUSHAN AWARD(17th)
- Best Popular Brand Award & Best Popular Brand First Award
3. Golden Pinnacle Awards(20th)- Top Ten Outstanding Enterprise
4. Golden Pinnacle Awards(20th)- Top Ten Outstanding Leaders Award

東森
購物

EHS



- 1.Best Service in Taiwan
- The Large Online Shopping Platform Gold Medal Award
2. Charity Festival of Chinese Award



1. The Asia Pacific Health and Biotechnology Award
- Excellence in Industry Pioneering Award
2. The Asia Pacific Health and Biotechnology Award
- Excellence in Quality Awards (for two products)
(NB-1 Multi Performance Elastin Energy Creme 、 Emollient Cream)
3. THE NATIONAL BRAND YUSHAN AWARD(17th) - Outstanding Enterprise Award
4. THE NATIONAL BRAND YUSHAN AWARD(17th)
- Best Product Award (Probiotics for Intensive Care)
5. Golden Pinnacle Awards(20th) - Outstanding Enterprise
6. National Biotechnology and Medical Care Quality - Bronze Award
(γ-PGA Hydrating Complex Serum)
7. SNQ Symbol of National Quality(for three products)
Moisturizing Soothing High Performance Extract 、 Emollient Cream
NB-1 Anti-Wrinkle Firming Creme
8. Taiwan Excellence Award (for two products)
NB-1 Multi Performance Elastin Energy Creme 、
r-PGA Deep Hydration Moisturizing



Thank you
Q&A

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