

momo.com
8454 TT

NOV, 2023



Safe Harbor Notice

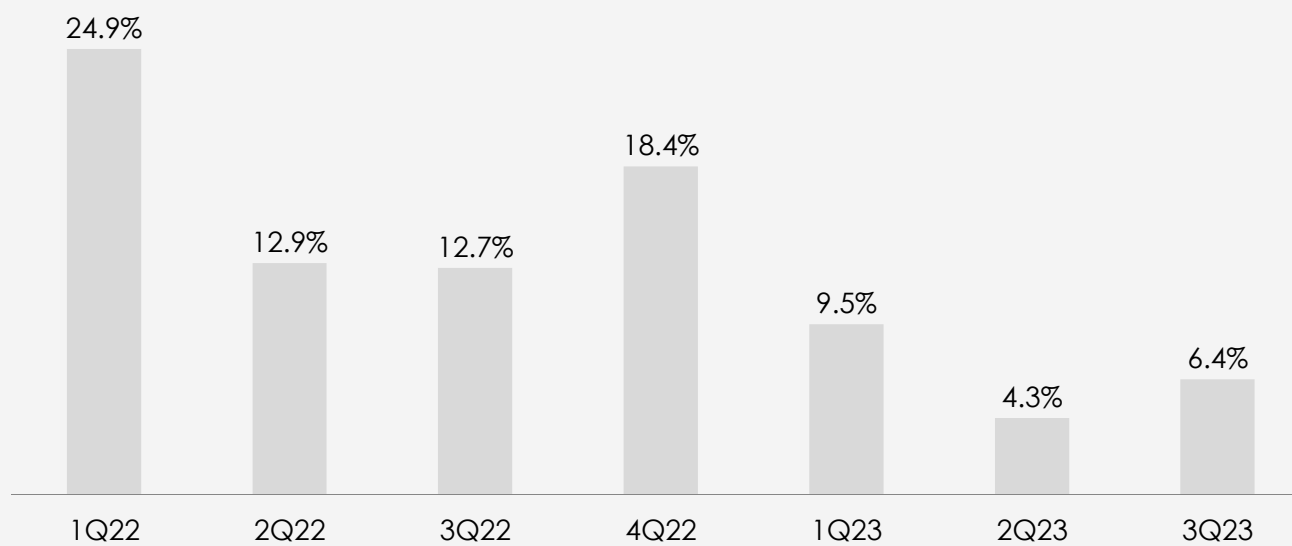


- momo.com's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Key Messages

- 3Q23 company revenue YoY growth was higher than 2Q, in-line with our expectation.
- The major 5 product categories continued their upward growth trend but at more moderate pace than previous years, with Beauty & Healthcare, Sports & Leisure and Fashion & Luxury delivering stronger momentum.

Company revenue YoY Trend



3Q23 P&L



P&L (NT\$ mn)	3Q23	3Q22	YoY	9M23	9M22	YoY
Revenue **	25,074.7	23,557.7	6.4%	76,407.1	71,633.6	6.7%
Gross profit	3,525.3	3,450.5	2.2%	10,949.6	10,557.4	3.7%
Operating costs	(1,203.0)	(1,220.1)	(1.4%)	(3,463.8)	(3,472.8)	(0.3%)
Gross profit from operations	2,322.3	2,230.4	4.1%	7,485.8	7,084.6	5.7%
OPEX ^ **	(1,409.1)	(1,352.2)	4.2%	(4,480.0)	(4,148.4)	8.0%
Operating profit	913.2	878.1	4.0%	3,005.8	2,936.2	2.4%
Net income to parent	750.0	756.4	(0.9%)	2,481.3	2,414.0	2.8%
EPS ^^	3.12	3.14	(0.6%)	10.32	10.04	2.8%
Recurring basic EPS ^^	3.12	2.94 ^{^^^}	6.1%	10.32	9.59 ^{^^^}	7.6%

^ 3Q22/9M22 one-time gains were NT\$49.8mn/NT\$109.8mn on disposal of investment.

^^ Diluted outstanding shares were 240.34mn in 3Q23.

**Starting in 3Q23, we implemented accounting adjustments for mo coins to better reflect the essentials of transaction. The changes have no material impact on the overall profits and the impact on company revenue is less than 1%. Using the same accounting treatment as last quarter, 3Q23 company revenue growth YoY would be higher at 6.8% and OPEX^ YoY would be higher at 11.7%.

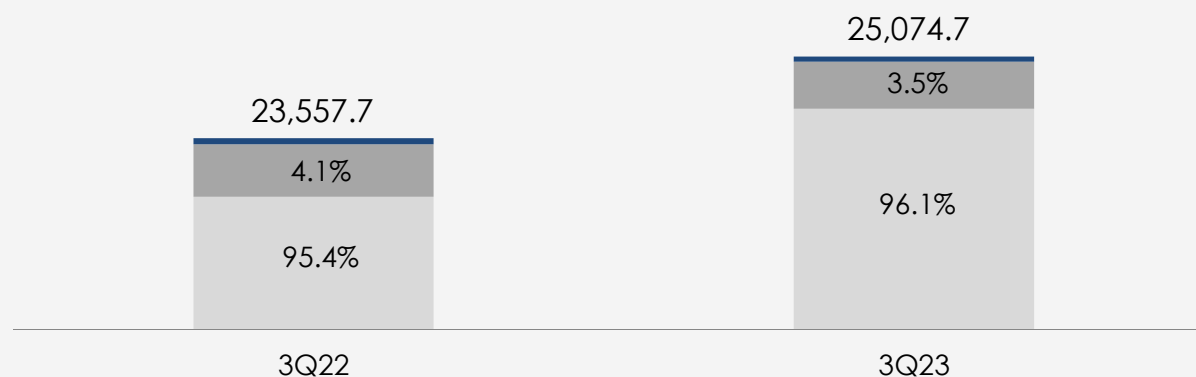
Key ratios (%)	3Q23	3Q22	9M23	9M22
Take rate	14.1%	14.6%	14.3%	14.7%
Gross margin from operations	9.3%	9.5%	9.8%	9.9%
EBITDA margin	4.9%	4.9%	5.1%	5.3%
Operating margin	3.6%	3.7%	3.9%	4.1%
Net margin	3.0%	3.2%	3.2%	3.4%

3Q23 Company Revenue

+6.4% YoY

■ EC ■ TV home shopping ■ Others*

(NT\$mn)

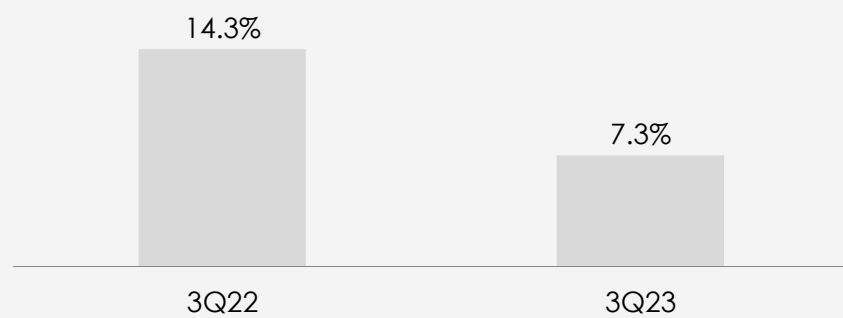


*Catalogue: 0.3% / Others (76.7%-held Fubon Gehua (Beijing), 93.73%-held BÉBÉ POSHÉ, 73.62%-held Prosperous Living, and 100%-held supporting business units): 0.1% of consolidated revenue

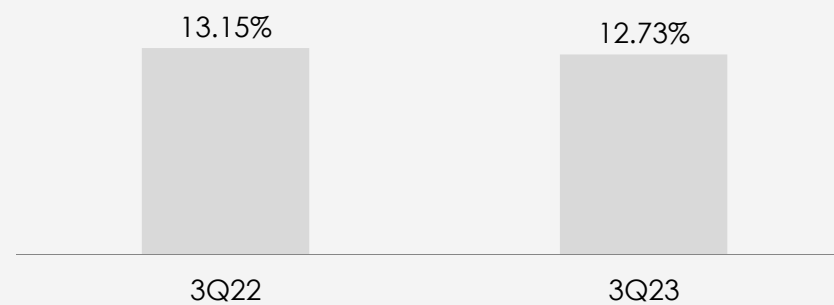
3Q23 EC



7.3% YoY Revenue Growth



Take Rate

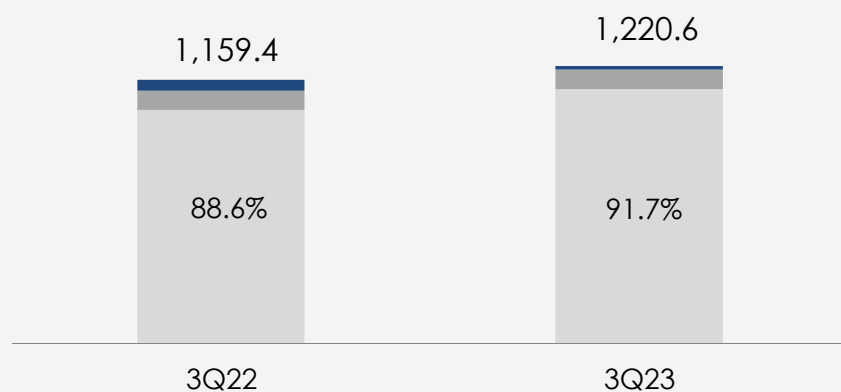


3Q23 EBITDA

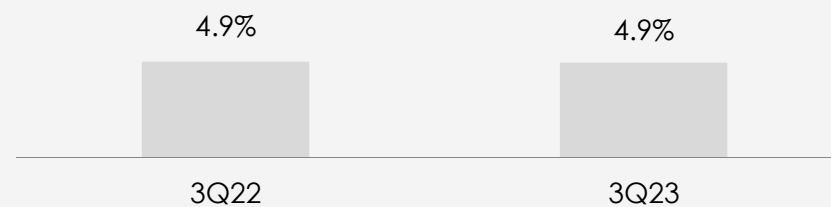
Company EBITDA +5.3% YoY

■ EC ■ TV home shopping ■ Others*

(NT\$mn)

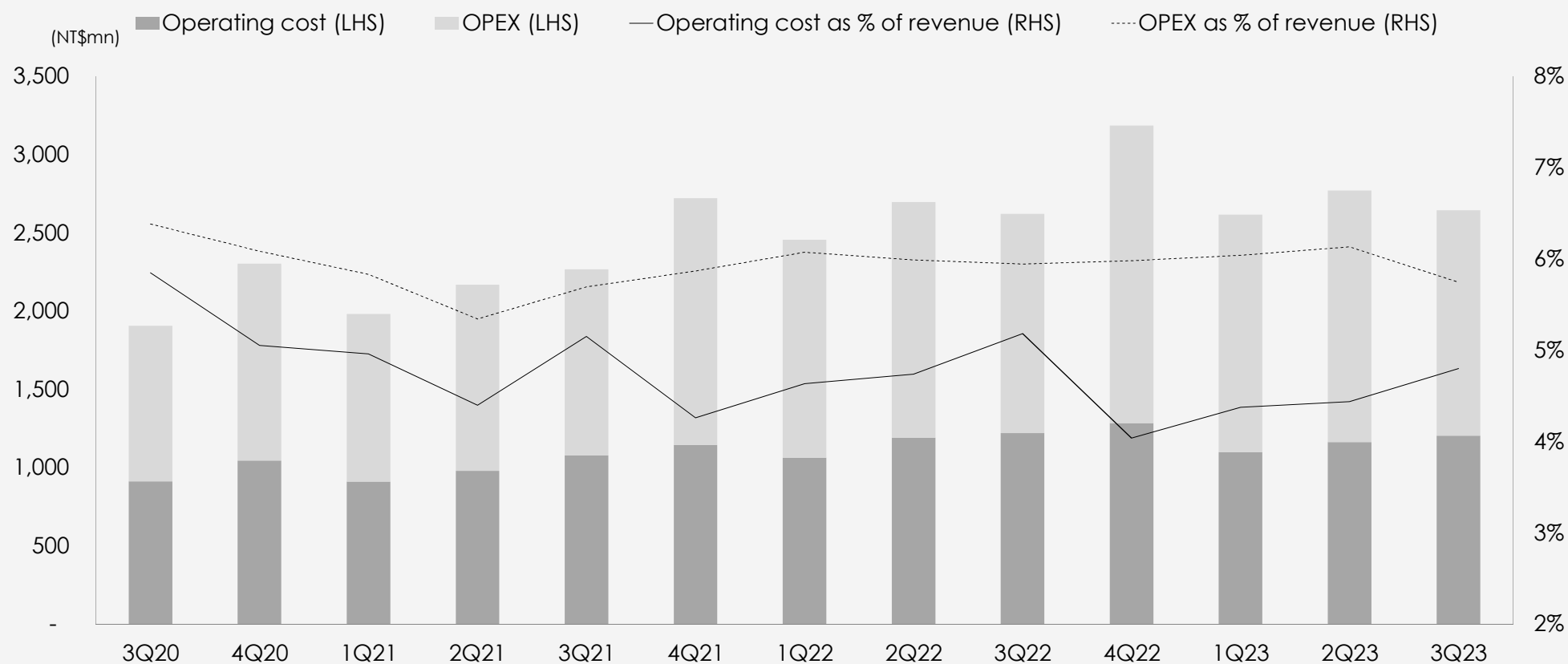


Company EBITDA Margin



* TV: 5.6% / Catalogue: 0.4% / Others (76.7%-held Fubon Gehua (Beijing), 93.73%-held BÉBÉ POSHÉ, 73.62%-held Prosperous Living, and 100%-held supporting business units): 2.3% of consolidated EBITDA

Cost and Expense

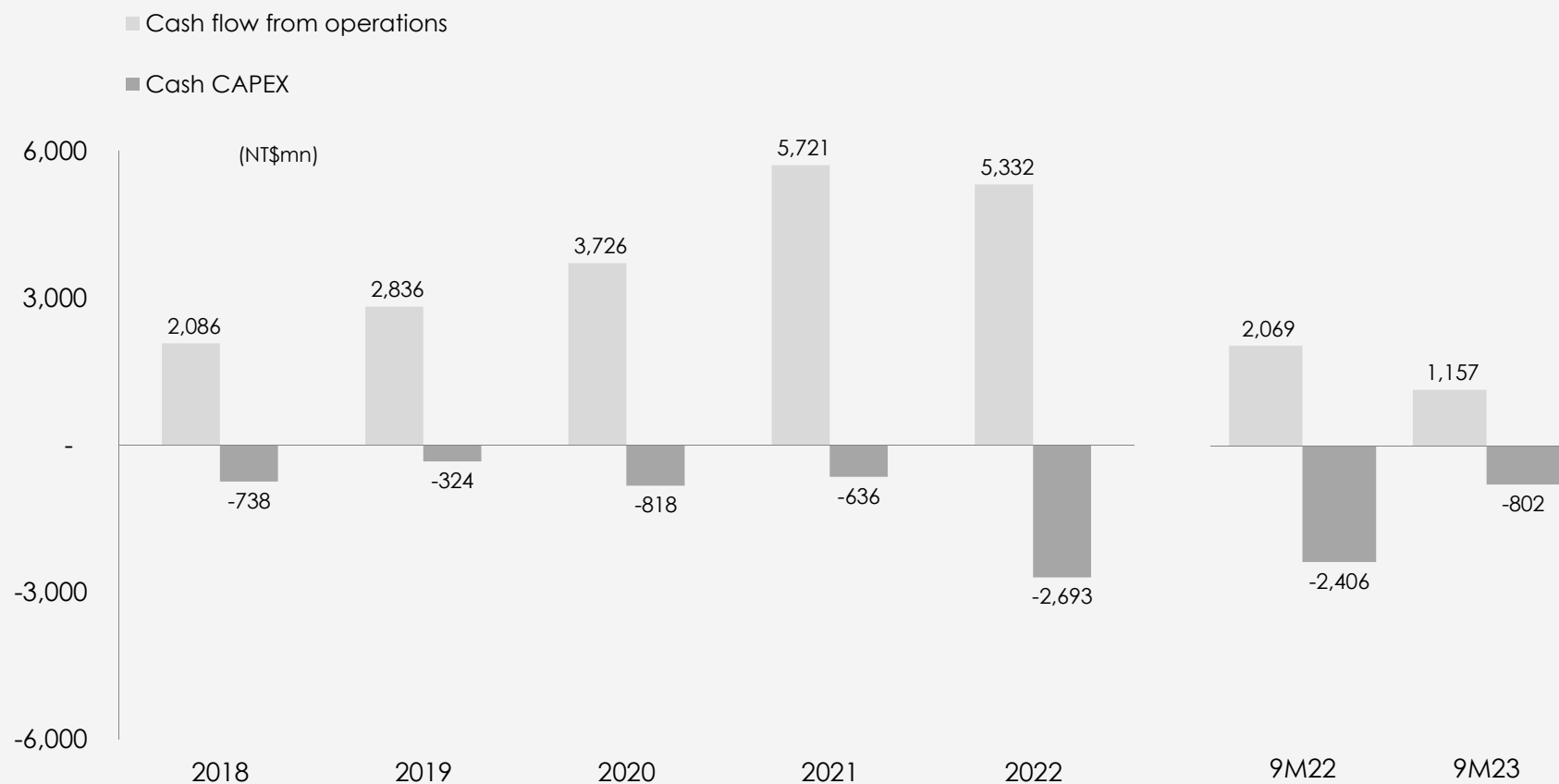


Balance Sheet

(NT\$m)	2023/9/30	2022/9/30
Cash & Cash equivalents	4,570.5	5,085.9
Accounts receivables	423.6	318.2
Other receivables	1,944.3	1,496.1
Inventories	4,852.7	4,666.1
Current assets	12,180.9	12,125.2
LT Investments	488.3	569.0
PP&E	7,741.8	7,077.4
Other non-current assets	3,979.3	3,492.8
Total non-current assets	12,209.4	11,139.2
Total Assets	24,390.3	23,264.4

(NT\$m)	2023/9/30	2022/9/30
Accounts Payable	9,707.8	9,475.7
Other payables	1,073.1	1,005.2
Other current liabilities	2,211.5	1,943.9
Non current liabilities	2,382.4	1,937.2
Total Liabilities	15,374.8	14,362.0
Common stock	2,403.4	2,184.9
Capital Surplus	1,969.9	2,259.4
Retained earnings	4,700.0	4,562.6
Other equity items	(57.8)	(104.5)
Shareholders' equity	9,015.5	8,902.4

Cash Flow



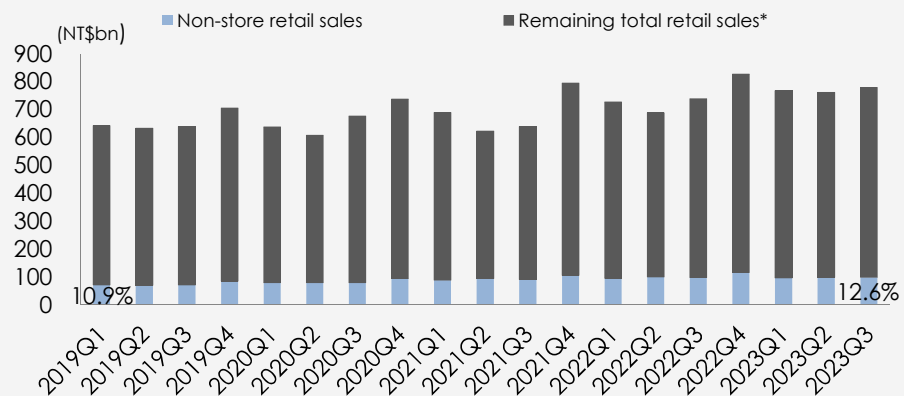
* Cash CAPEX in relation to actual cash payments for DC, based on various phases of construction, engineering & spending timeline.

CAPEX Budget

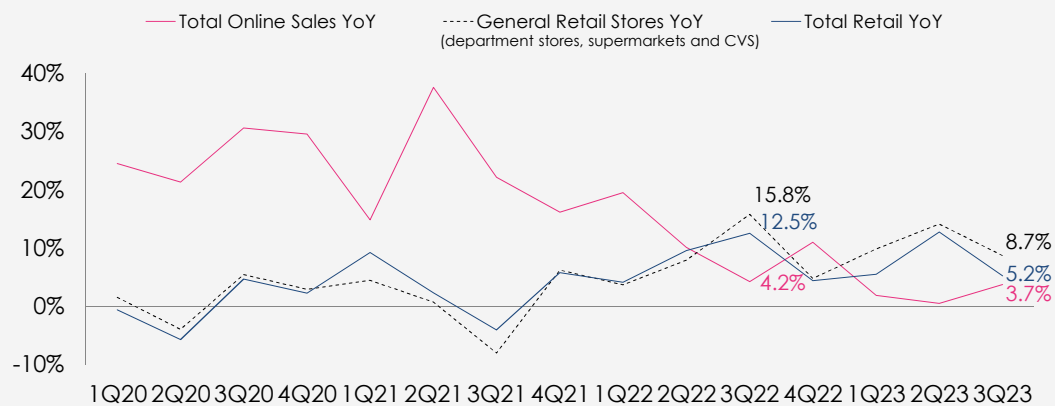


(NT\$m)	2023 Budget	YTD '23
CDC Construction & Engineering*	5,980	0.0
CDC 1 st phase of Automated Equipment*	350	0.0
Warehouse Facilities	193	109.3
IT Equipment	155	80.4
Others	152	94.3
Total	6,830	284.1
* CAPEX budget is under accrual basis * The actual cash payments will be spread to 2H23 -2027 depends on various phases of construction, engineering & spending timeline.		

Large TAMs

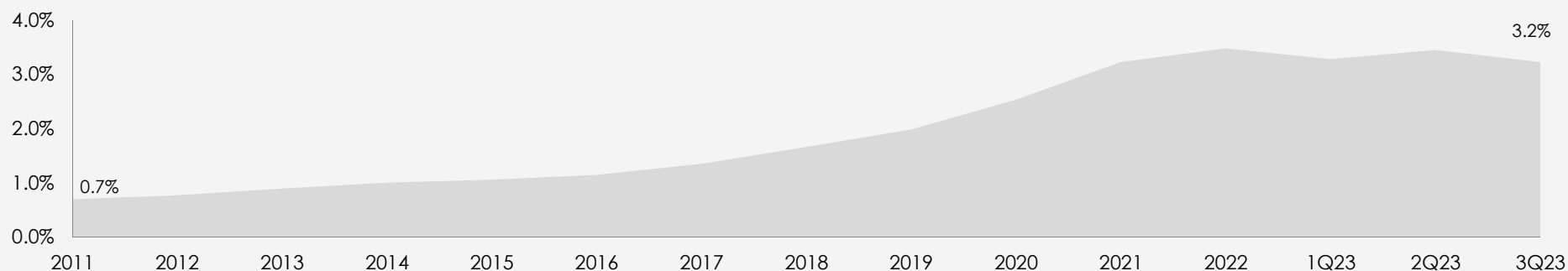


* Total retail sales excluding sales of fuels, automobiles, construction materials and tobacco which are the items that are unable to sell in the online marketplace.
source: Ministry of Economic Affairs



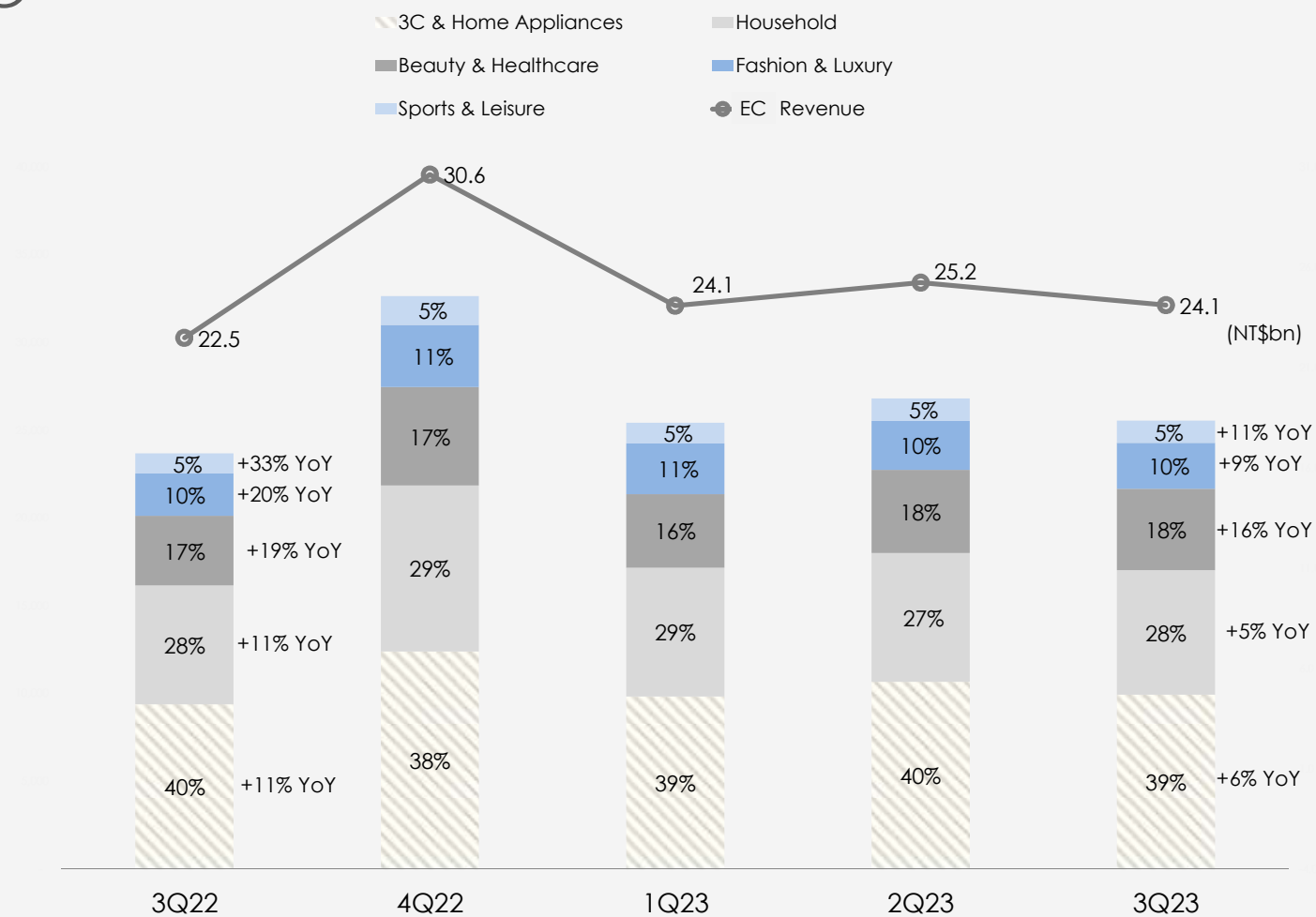
source: Ministry of Economic Affairs

momo market share in Taiwan retail market*



* Total retail sales excluding sales of fuels, automobiles, construction materials and tobacco which are the items that are unable to sell in the online marketplace.
source: Ministry of Economic Affairs

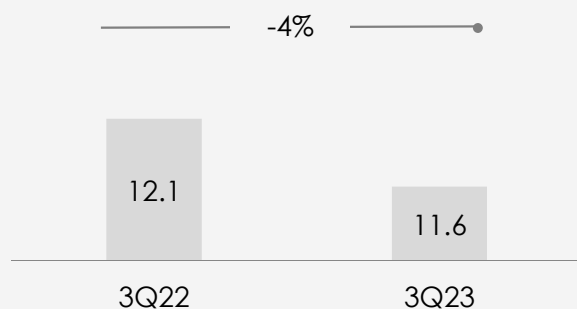
3Q23 EC



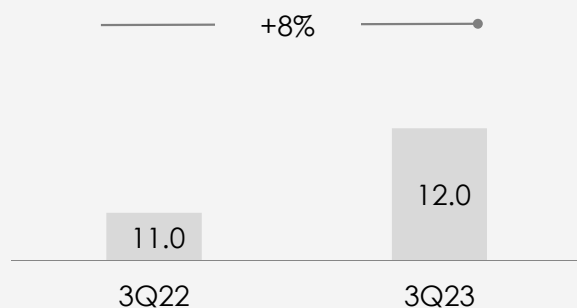
EC Key Customer Metrics



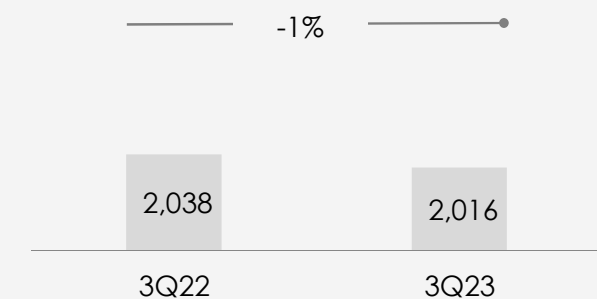
Monthly
Average Visitors
(mn)



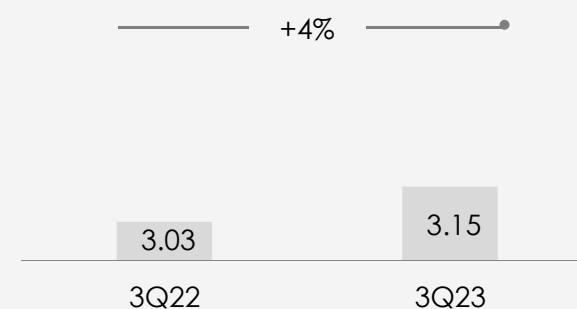
of Orders (mn)



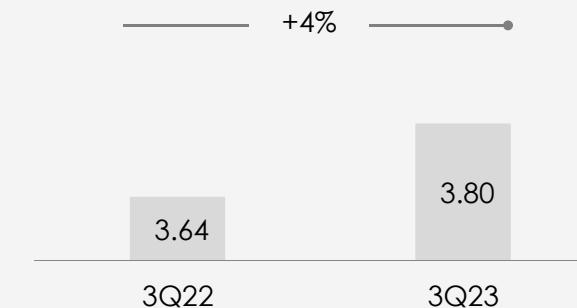
Average Ticket
Size
(NT\$)



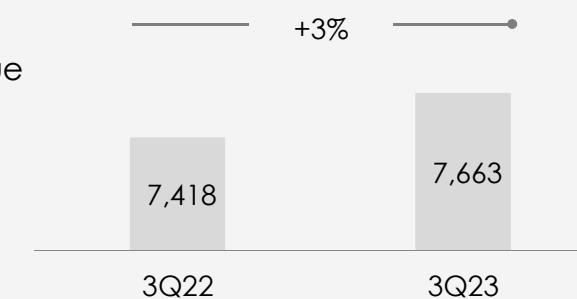
Active Users
(mn)



Average Orders
per Active User
(#)



Average Revenue
per User
(NT\$)



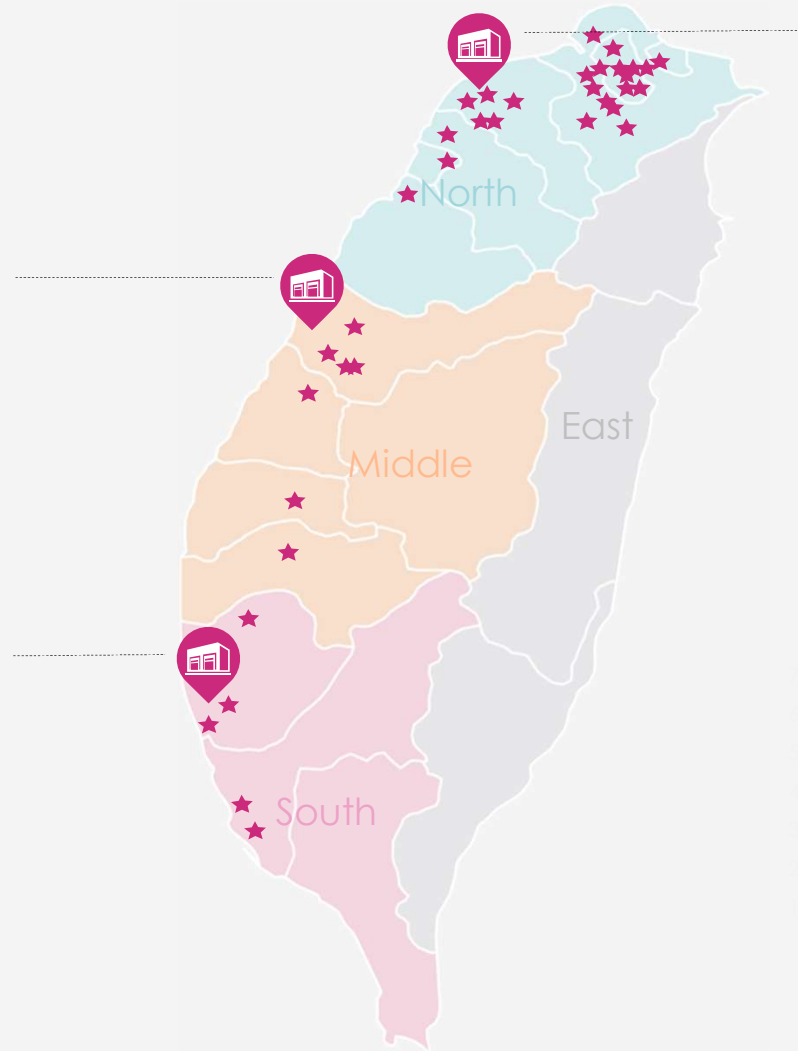
Island-wide logistics network



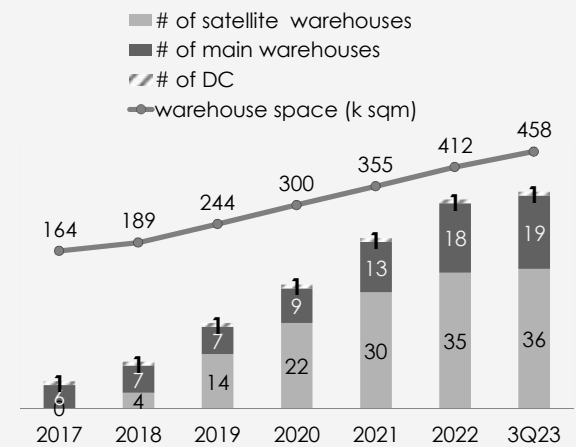
CDC
Construction began in NOV



SDC
Trial run will kick off in 1Q24

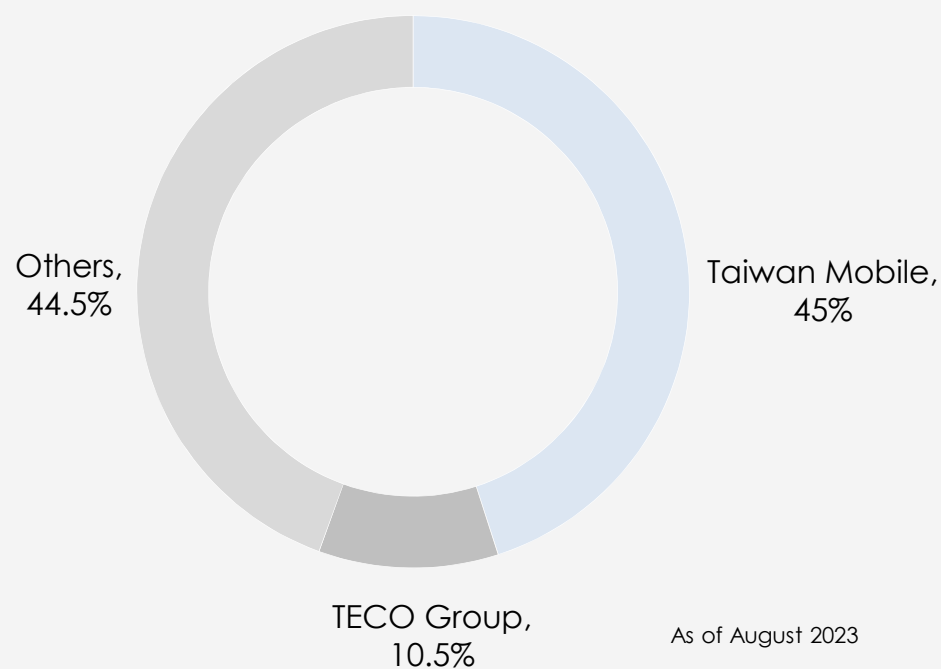


NDC
Launched in 2017



Issued Share Capital

Shareholder Structure



Share Information

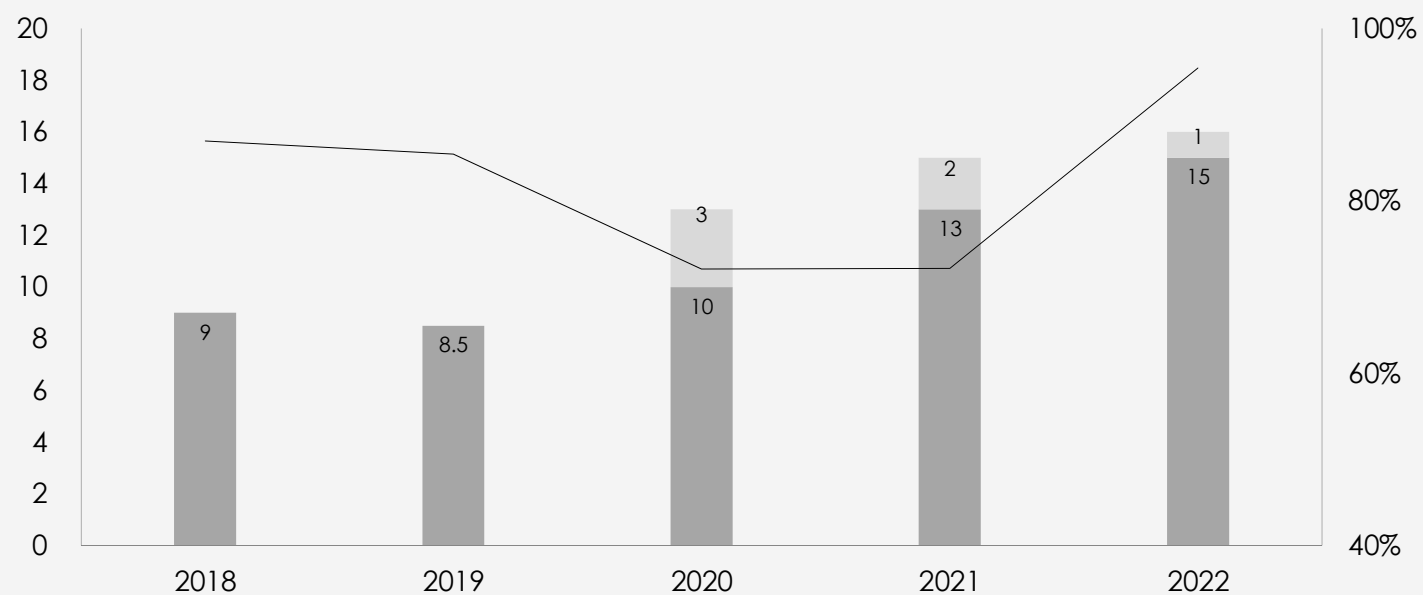
Stock Exchange	Taiwan Stock Exchange
First day of trading	December 19, 2014
Issue price	TWD 230
Total number of diluted outstanding shares	240,340,386
Issued share capital	TWD 2,403,403,860

As of September 2023

Dividend



■ Cash dividend ■ Stock dividend — Cash dividend payout ratio



Sustainability and ESG



Product Value, Service Value Brand Value

- Consolidated revenue of NT\$103.4 billion
- momo Green Life sales up 42% YoY, the number of products for sale up 312 items
- Top 5% in corporate governance evaluation, recognized for 7 consecutive years
- Twice selected as a constituent of the FTSE4Good TIP Taiwan ESG Index
- momo sustainability performance received 5 official accreditations and 13 awards given by professional institutions in 2022



Green Consumption Value

- The NDC generated 1,172,418 kWh of cumulative solar power in 2022, with a carbon reduction of 596.76 MT
- Green procurement amounted to NT\$778,866,963 in 2022
- "momo reusable bags" incorporated 30% recycled materials and the number of units shipped out in 2022 reached 22,822 with the number of recycling locations surpassed 10,000
- A single packaging material weighed 204.9g on average in 2022, down 6.8% compared to 2021, with cushioning material use down 17.6% from the same period in 2021
- All vehicles purchased by momo green fleet are environmentally friendly, with 144 trucks purchased meeting Tier 1 energy efficiency, 145 scooters meeting Tier 2 energy efficiency, and electric 3-wheelers for commercial use are introduced.



Social Value Talent Value

- Promoted 51 charity and project events, with total charity proceeds reaching a record high of NT\$69.72mn
- Created force for good together with consumers, with money and supplies donations made by 118,621 momo members and benefited 115,363 recipients
- The Human Rights Policy was revised to strengthen the human rights management mechanism and the protection of human rights in the light of major international concerns
- Average training hours of 32.76 hours per person, up 8% YoY
- Education and training costs of NT\$4,120,771, with an average training cost of NT\$1,111 per full-time employee
- Total e-learning training reaches 49,000 hours, up 15% YoY

Sustainability and ESG



2022 full report [momo.com 2022 ESG report](#)

Task force on Climate-related Financial Disclosures



2022 full report [momo.com 2022 TCFD report](https://momo.com/2022-TCFD-report)

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