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2Q25 Results

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Operational Highlights

- P&L Analysis
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Consolidated P&L

P&L (NT$ mn)	2Q25	2Q24	1H25	1H24
Revenue	26,030.9	26,656.9	52,436.0	53,534.8
Gross profit	3,547.0	3,572.6	7,042.0	7,215.1
Operating costs	(1,158.5)	(1,145.4)	(2,316.1)	(2,250.5)
Gross profit from operations	2,388.5	2,427.2	4,725.9	4,964.6
OPEX	(1,639.3)	(1,540.5)	(3,216.4)	(2,990.6)
Net other income and expenses	23.9	37.5	49.5	67.6
Operating income	773.1	924.2	1,559.0	2,041.5
Income from LT investments	3.4	1.8	3.9	0.8
Other non-op income	25.8	33.0	41.4	54.0
Pretax profit	802.3	959.0	1,604.4	2,096.4
Tax	150.3	191.0	92.8	418.5
Net income	652.0	768.3	1,511.6	1,677.9
Less minorities	0.0	(0.2)	0.0	0.7
Net income to parent	652.0	768.3	1,511.5	1,677.2
Basic EPS	2.58	3.05	5.99	6.65
Take rate	13.6%	13.4%	13.4%	13.5%
Gross margin from operations	9.2%	9.1%	9.0%	9.3%
EBITDA margin	4.3%	4.7%	4.3%	5.1%
Operating margin	3.0%	3.5%	3.0%	3.8%
Net margin	2.5%	2.9%	2.9%	3.1%

Quarterly Performance Overview

- **Softening Market Conditions:** In Q2 2025, Taiwan's retail industry faced persistent macroeconomic headwinds. Total retail sales declined by 1.6% YoY, reaching NT$1.171 trillion—the weakest performance since Q3 2021.
- **Smart Execution Amid Competition:** Amid a persistently challenging market environment and intensifying industry competition, we remained focused on executing targeted promotions, member engagement, and new business initiatives to defend market share and strengthen user engagement. These efforts were strategically implemented to drive growth and maintain competitiveness throughout the quarter.

3P and Retail Media Network (RMN) businesses have shown solid progress

- **Accelerated 3P Growth Enhances Platform Scale and Efficiency:** Our 3P business continued its rapid expansion, with over 2.6 million product listings and more than 7,000 curated merchants onboarded to date. This model has played a key role in scaling our product assortment, enhancing platform agility, and attracting younger, trend-driven consumers—particularly in the fashion and household categories. By allowing merchants to manage their own inventory and fulfillment, momo has sustained an asset-light operational structure while delivering consistent growth in both average order value and total order volume. Our curated merchant strategy reinforces customer trust and strengthens platform quality, clearly distinguishing momo's 3P model from conventional open marketplaces.

- **Diversified Growth Across Key Lifestyle Categories:** We observed strong growth momentum across several product categories—particularly 3C, pet food, cosmetics and travel related activities. This performance was driven by robust seasonal replacement demand during the market campaigns, continued expansion of pet-related offerings, and increased travel activities during peak holiday periods. While the broader economic environment has led many consumers to adopt more cautious spending behaviors and trade down to value-oriented choices, momo's growth in these categories reflects its ability to meet evolving needs through diversified, accessible, and well-positioned offerings.
- **Solid User Growth and Strengthening Loyalty:** User metrics remained strong, with active members increasing by 5.1% year-over-year, reflecting sustained improvements in engagement and retention. Among existing customers, we continue to observe its steady growth, with consistently high activity levels, stable purchasing behavior, and strong loyalty. Despite intensifying competition, we continue to gain active customers, underscoring the platform's resilience and enduring appeal across key demographics.

Financial Metrics and Profitability

- **2Q2025:** Despite a soft retail environment and cautious consumer sentiment, momo continued to demonstrate resilient user growth, with active users increasing by 5.1% year-over-year. This expansion helped offset external pressures and supported stable GMV performance.

  In the second quarter of 2025, momo delivered solid operational results, reporting revenue of NT$26 billion and operating income of NT$773 million. Net profit attributable to owners of the Company reached NT$652 million, translating into earnings per share(EPS) of NT$2.58.
- **1H2025:** For the first half of the year, momo reported total revenue of NT$52.44 billion. GMV growth remained steady, supported by the successful execution of the 618 campaign and sustained momentum in mo shop+. Operating income for the period was NT$1.56 billion. The year-over-year decline primarily reflects increased logistics expenses associated with the expansion of mo shop+, higher depreciation from the Southern Distribution Center, and continued investment in marketing promotions. Net profit attributable to owners of the Company totaled NT$1.51 billion, with earnings per share(EPS) NT$5.99.

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1. Revenue

Consolidated Revenue Breakdown

(NT$ mn)	2Q25	2Q24	1H25	1H24
EC	25,314.5	25,788.4	50,857.1	51,591.5
Media	700.9	857.0	1,551.2	1,921.7
Others*	15.5	11.5	27.7	21.6
Total Revenue	26,030.9	26,656.9	52,436.0	53,534.8

** Other revenue consists of revenue from 76.7%-held Fubon Gehua (Beijing), 73.62%-held Prosperous Living, and 100%-held supporting business units (travel agency, insurance distribution agent, logistics, wholesaler subsidiary, and BÉBÉ POSHÉ).*

2. Balance Sheet

NT$ mn	2Q25	2Q24	1Q25
Cash & cash equivalents	5,293.3	7,605.4	4,488.1
Accounts receivables	413.7	525.3	487.7
Other receivables	1,972.2	2,481.0	1,910.2
Inventories	4,116.2	4,112.5	4,013.0
Other current assets	1,744.4	606.8	1,794.3
Total Current assets	**13,539.8**	**15,331.0**	**12,693.4**
Long term investments	465.8	617.0	525.6
PP&E	10,038.4	8,608.6	9,581.4
Other non-current assets	4,757.2	4,980.2	5,036.7
Total non-current assets	15,261.5	14,205.9	15,143.6
Total Assets	**28,801.3**	**29,536.9**	**27,837.1**
Accounts payable	10,189.4	10,590.9	9,716.2
Other payables	1,105.2	1,140.5	950.1
Other current liabilities	6,729.2	6,373.5	3,530.2
Non-current liabilities	2,486.0	3,012.7	2,686.9
Total Liabilities	**20,509.8**	**21,117.6**	**16,883.4**
Common stock	2,649.8	2,523.6	2,523.6
Capital surplus	1,723.6	1,849.8	1,849.8
Retained earnings	4,018.8	3,966.3	6,596.9
Other equity items	(100.7)	79.5	(16.6)
Shareholders' equity	**8,291.5**	**8,419.2**	**10,953.7**

** Total Assets: Major asset components include cash and cash equivalents, as well as property, plant, and equipment. The increase in fixed assets was primarily attributed to ongoing investments in the Southern Distribution Center and continued construction of the Central Distribution Center.*

** Total Liabilities: The decrease in liabilities reflected reduced warehouse lease payments and lower cash dividend payables.*

** Shareholders' equity: The decline was mainly due to valuation losses under other comprehensive income, stemming from fair value adjustments on investments in We Can Medicines Co., Ltd. and LINE Bank Taiwan Limited.*

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3. Cashflow

NT$ mn	1H25	1H24
Operating		
Profit before income tax	**1,604.4**	**2,096.4**
Non-cash Add-backs		
--Depreciation	672.5	660.4
--Amortization	26.6	14.5
--Others	(45.6)	(54.5)
Change in operating assets and liabilities	(325.0)	476.9
Others	(176.5)	(491.4)
Net cash generated from operating activities	1,756.4	2,702.3
Investing		
-- Acquisition of property, plant and equipment	(949.8)	(642.4)
-- Acquisition of intangible assets	(34.2)	(3.6)
-- Increase in prepayments for equipment	(182.1)	(133.1)
-- Others	72.0	(130.2)
Net cash used in investment activities	(1,094.1)	(909.3)
Financing		
Net cash used in financing activities	(428.3)	(465.5)
Net (decrease) increase in cash and cash equivalents	**233.8**	**1,327.5**

** Capital Expenditures breakdown of major expenditures:*

NT$140 million for the Southern Distribution Center (SDC)

NT$740 million for construction work at the Central Distribution Center (CDC)

NT$92 million for warehouse equipment procurement