



Eastern Media International Corporation

Investor Conference (Symbol: 2614)

December 23, 2019



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EMI Development course

Founded : 1975/5/14

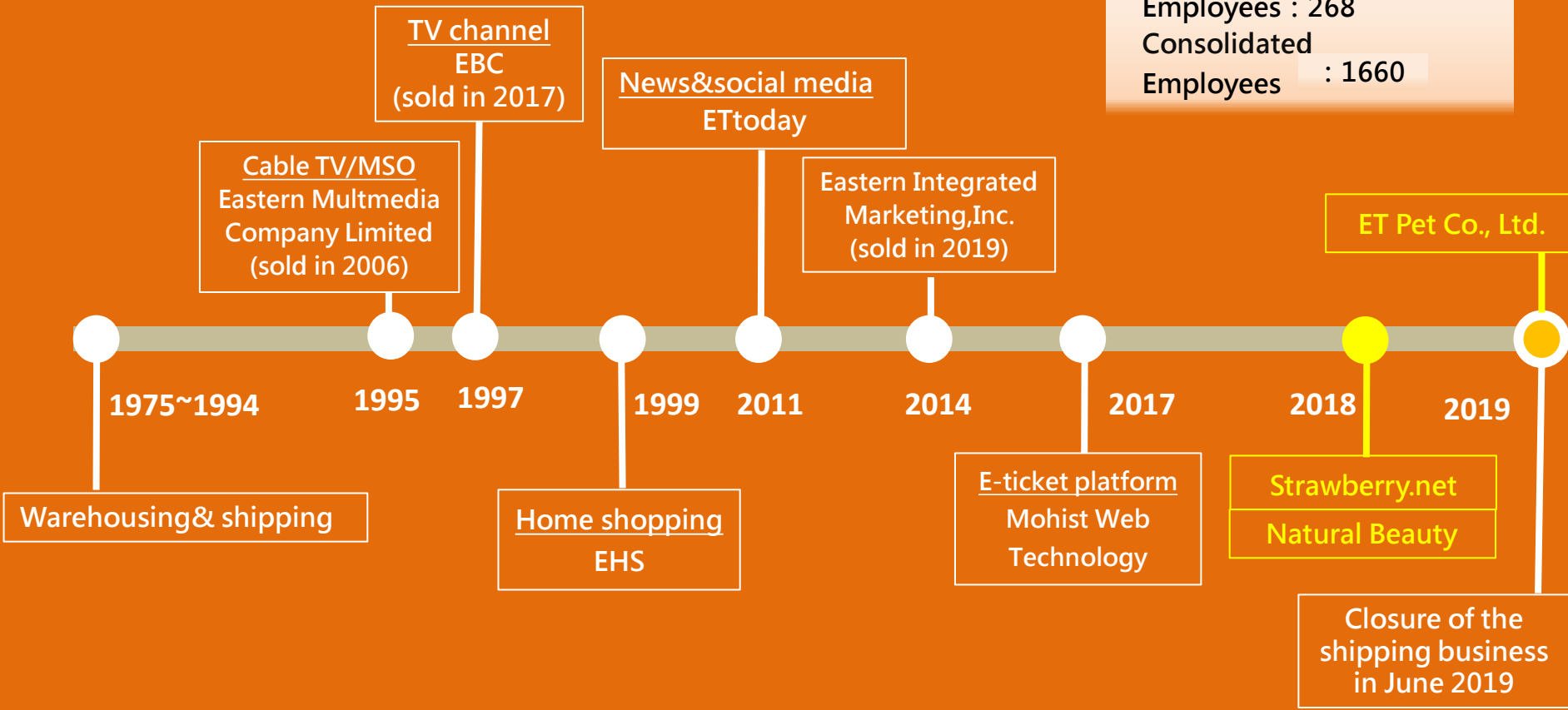
IPO : 1995/9/23

Capital : NT\$5.57bn

Employees : 268

Consolidated

Employees : 1660



Main Segment Entities

Warehousing

In regard to unloading and warehousing business, and good prospects in bulk grain imports

Trading

Developing pet ecosystem via O2O. Pet market size will continuously expand in Taiwan

Media

ETtoday is establishing online and offline advertising platform
◦ Digital AD revenue exceeded other competitors

Other

E-ticket platform
financial leasing

Shipping

Closure of the shipping business in June 2019

Income Statements Overview (Consolidated)

(NT\$m)	1-3Q19	1-3Q18	%chg
Operating revenues	2,095	13,478	(84.46 %)
Operating costs	1,519	9,832	(84.55 %)
Gross profit	575	3,646	(84.22 %)
Operating expenses	658	3,654	(81.98 %)
Net operating income	(83)	(8)	(946.32 %)
Non-operating income & expenses [Note2]	95	2,373	(96.00 %)
Profit	9	1,982	(99.56 %)
Other comprehensive income	7	(65)	N.A
Total comprehensive income	16	1,916	(99.17 %)
Profit attributable to parent	25	1,662	(98.51 %)
Basic earnings per share	0.04	2.61	

[Note1] : Due to the loss of control over the Eastern Home Shopping & Leisure CO., LTD, this made the reduction of consolidated operating entities since January 1, 2019.

[Note2] : The profit of NTD2,060 million attributed from disposal of EED Shanghai in 2Q 2018.

Balance Sheet Overview (Consolidated)

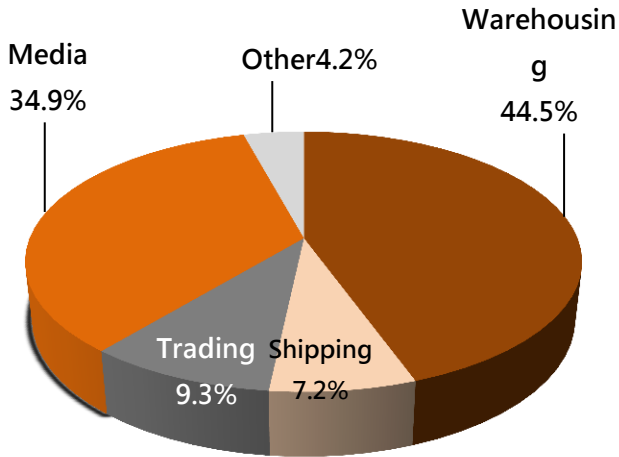
(NT\$m)	3Q 2019[Note1]		3Q 2018	
	Amount	%	Amount	%
Balance Sheets				
Current Assets	2,509	22.9%	9,064	56.5%
Cash & cash equivalents	1,034	9.4%	5,598	34.9%
Non-current Assets	8,467	77.1%	6,992	43.6%
Investments (equity method)	2,475	22.6%	55	0.3%
Property, plant and equipment	1,212	11.0%	2,426	15.1%
Right-of-use asset [Note2]	4,032	36.7%	0	0.0%
Total Assets	10,976	100.0%	16,056	100.0%
Current Liabilities	1,089	9.9%	4,397	27.4%
Account payable	408	3.7%	2,050	12.8%
Lease liabilities [Note2]	511	4.7%	0	0.0%
Non-current Liabilities	3,795	34.6%	2,968	18.5%
Lease liabilities [Note2]	3,563	32.5%	0	0.0%
Total Liabilities	4,884	44.5%	7,366	45.9%
Total Equity	6,092	55.5%	8,691	54.1%
Value per share (NT\$)	10.89		13.00	
Key Indices				
Current ratio %	230%		206%	
Quick ratio %	194%		159%	
Debt ratio %	45%		46%	

[Note1] : Due to the loss of control over the Eastern Home Shopping & Leisure CO., LTD, this made the reduction of consolidated operating entities since January 1, 2019.

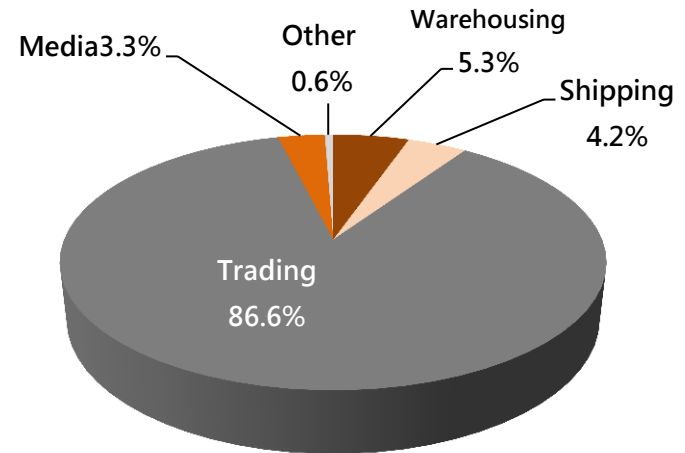
[Note2] : The accounting policy of IFRS 16

Revenue by Segment

1~3Q 2019



1~3Q 2018

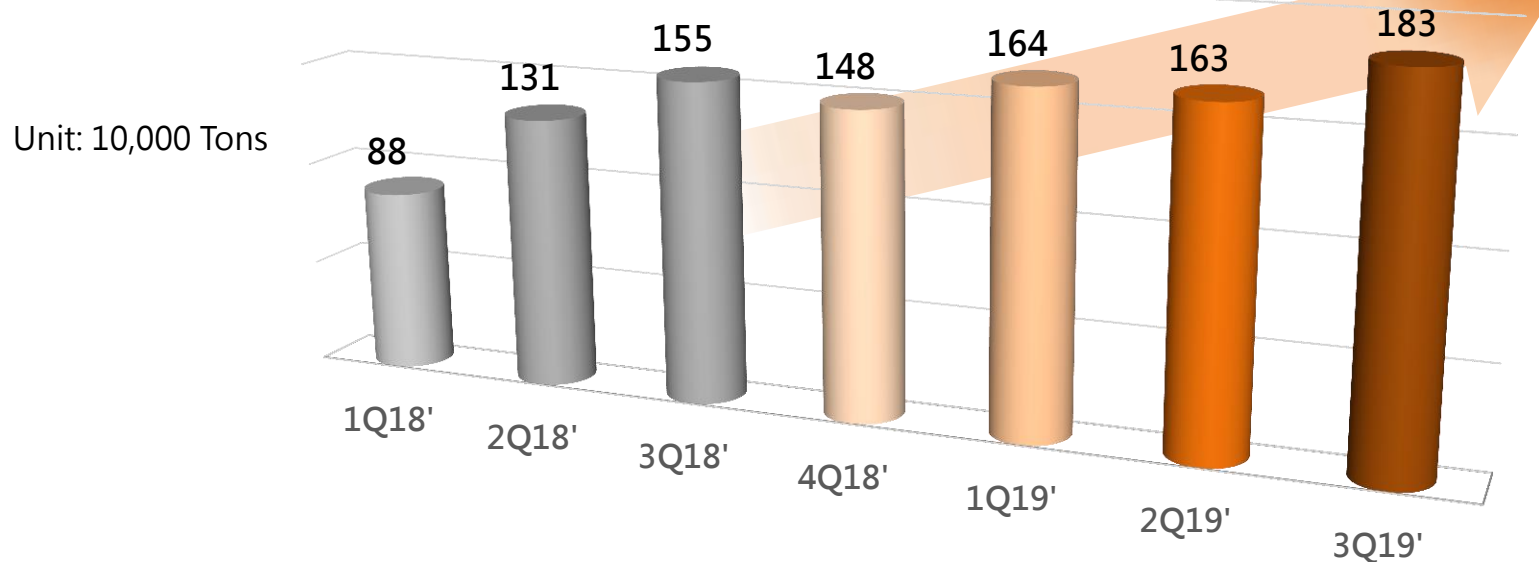


(NT\$m)	1~3Q19	%	1~3Q18	%
Revenue	2,095	100.0%	13,478	100.0%
Warehousing	932	44.5%	720	5.3%
Shipping	151	7.2%	563	4.2%
Trading[Note]	194	9.3%	11,671	86.6%
Media	731	34.9%	443	3.3%
Other	87	4.2%	81	0.6%

[Note] : Due to the loss of control over the Eastern Home Shopping & Leisure CO., LTD, this made the reduction of consolidated operating entities since January 1, 2019. The revenue of the trading segment decreased significantly.

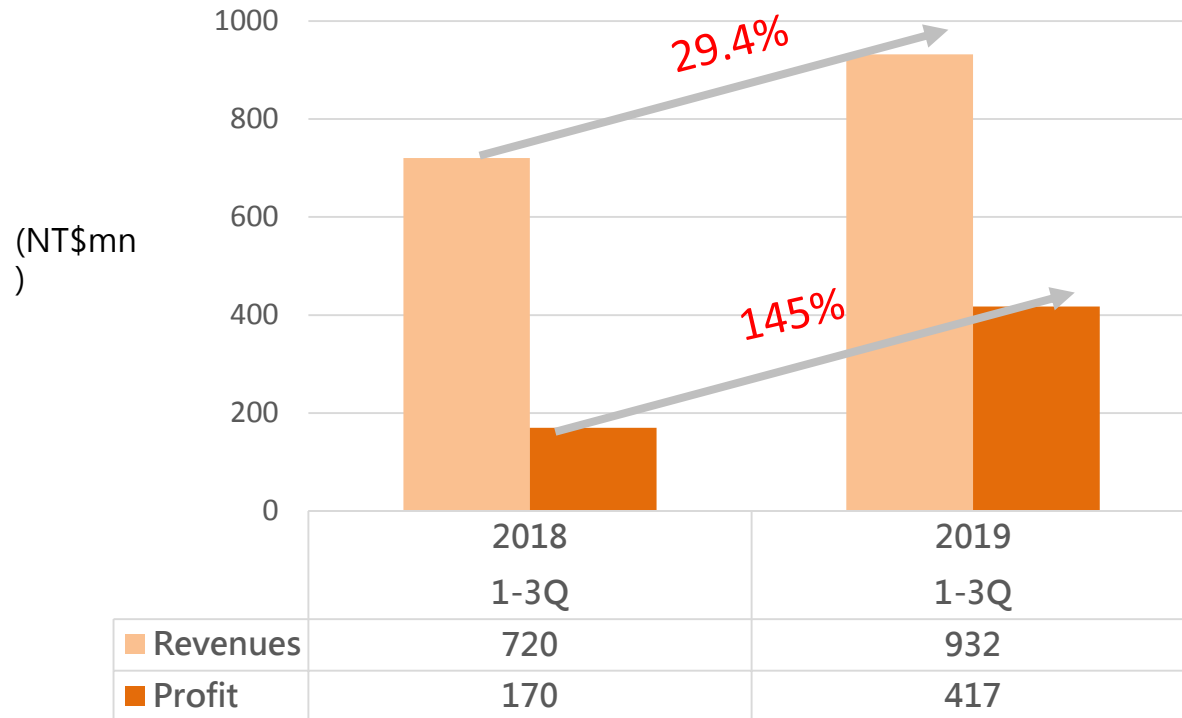
Segments Overview

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
2019 Q1~Q3	510	510	100%	671	76%
2018 Q1~Q3	375	375	100%	623	60%

Trading -The Introduction of ET Pet



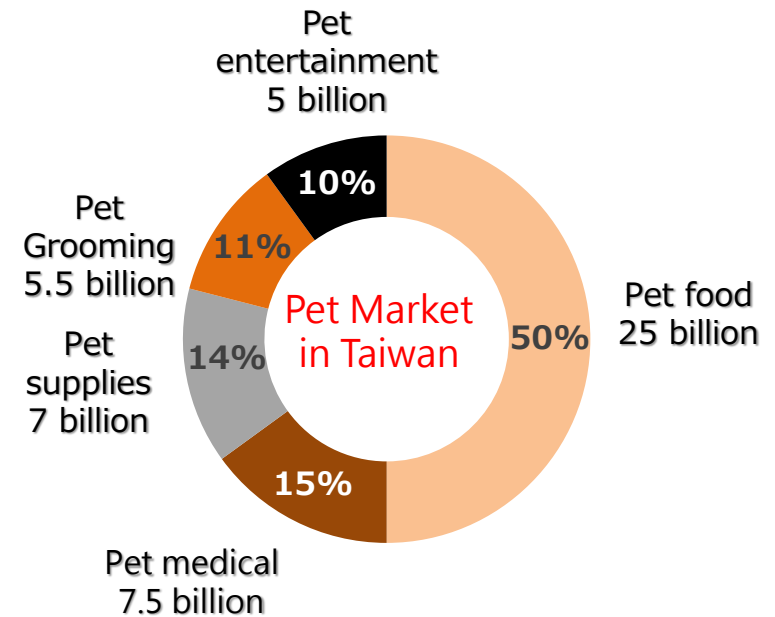
- The main body of trade sector is ET Pet Co., Ltd.
- ET Pet Co., Ltd. was transformed from the ETtoday pets channel. Currently, it is widely accepted by animal-lovers and gains about 1.68 million fans .
- ETtoday started to run pet stores in 2008. Besides, ETtoday is making a lot of efforts to develop pet eco-system via O2O.
- Pet industry is an emerging market in Taiwan ; therefore, ETtoday decides to found ET Pet Co., Ltd. Until the end of 2019, the number of ET Pet's store is up to 91 via merging and acquisition other competitors.
- Pet industry will become a new growing business because of social change. ET Pet Co., Ltd. will enhance its market profits in the near future.

Trading - Pet Market in Taiwan

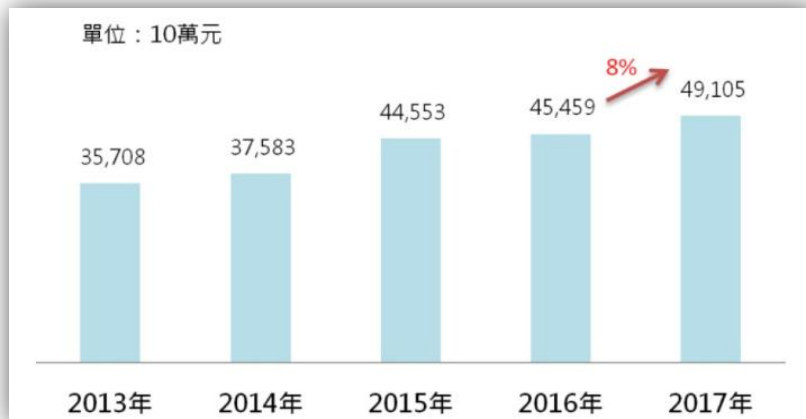
The annual growth rate of dogs and cats is up to 10%
 The number of dogs and cats will exceed children who is under 15 years old in 2020

Pet market size will continuously expand in Taiwan

According to CPFAA, pet market size is approximately 50 billion, and CAGR is expected over 6%.



The growth rate of imported pet food is up to 8%.

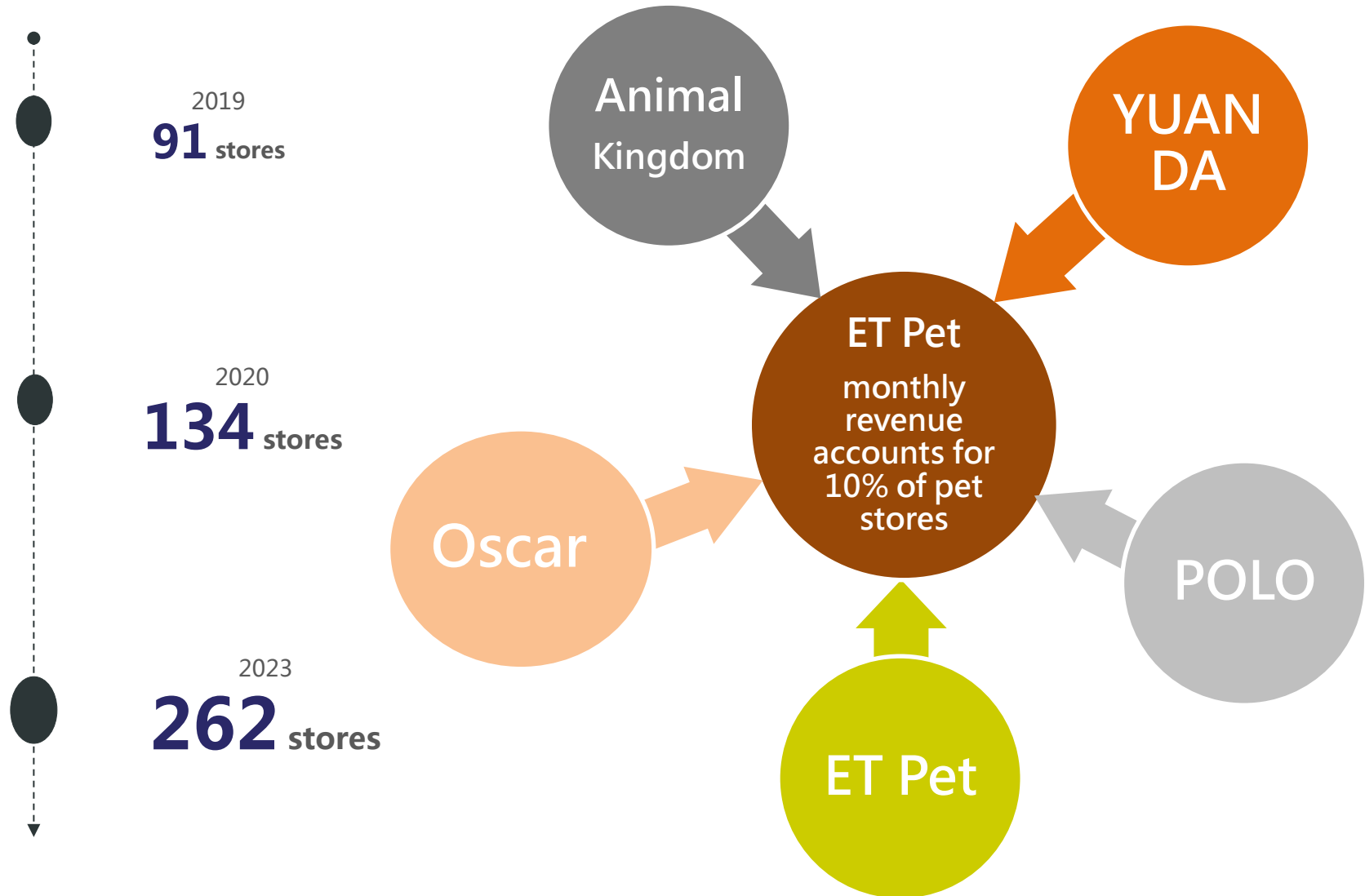


source :

- 1.From COA & CPFAA
- 2.<http://smart.businessweekly.com.tw/Magazine/detail.aspx?id=69482>
- 3.<https://www.chinatimes.com/newspapers/20190426000174-260309?chdtv>
- 4.Bussiness today

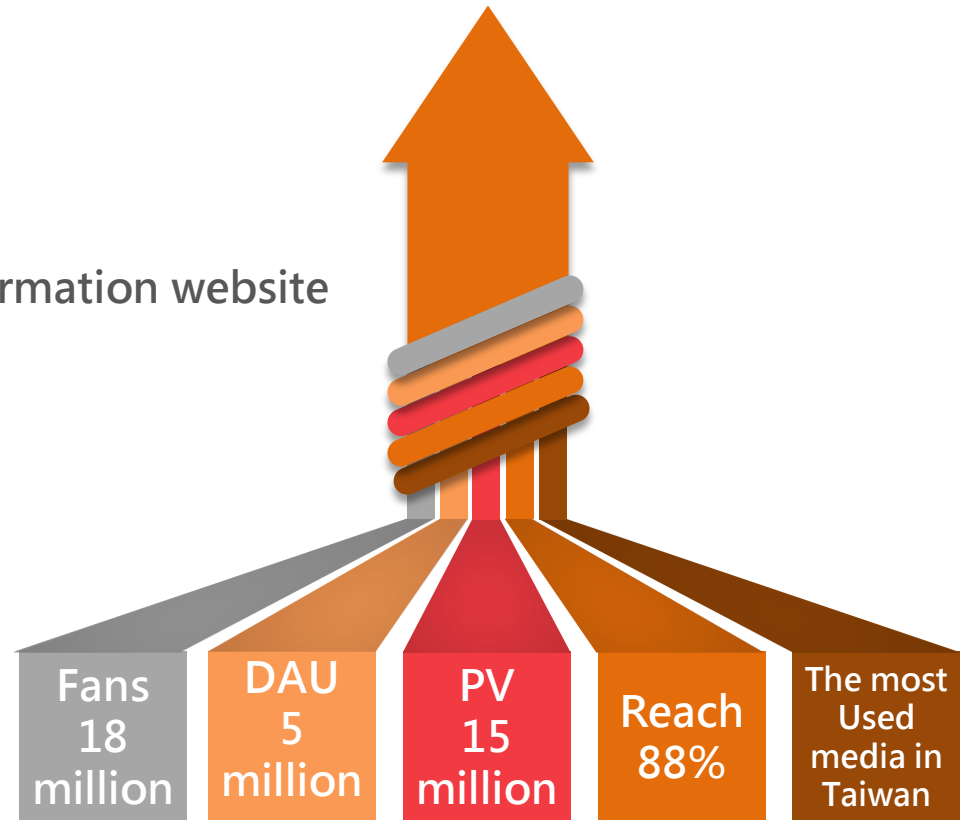
Note:COA is abbreviated of Council of Agriculture
 CPFAA is abbreviated of Pets Foods & Appliances Association R.O.C

ET Pet gains bargain power via M & A





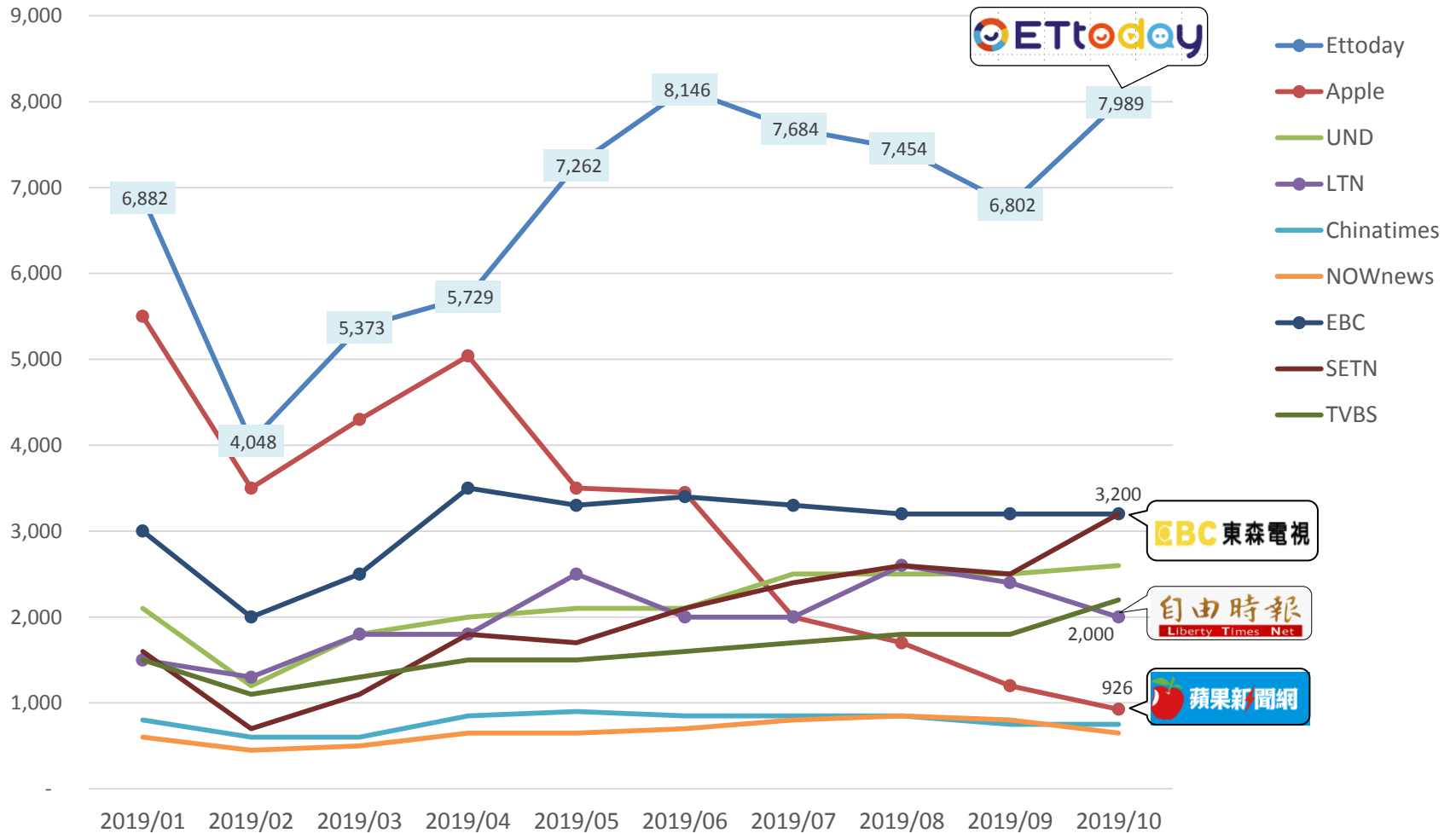
- ① Unique visitors of News and information website
- ② Users of Sports website
- ③ The most used media in Taiwan
- ④ Digital revenues



Source : 01 from comScore
02 from Insight Xplorer
03 from 2019 Digital News Report
04 from ETtoday

The digital AD revenue of EToday exceeds other competitors

Unit:10,000



ETtoday Strategy

Short- video

- 5G will lead to the outbreak of streaming video. With the coming of 5G era, ETtoday has devoted to video production since 2017.
- ETtoday owns not only excellent production team but lots of video programs. ETtoday has advantages in gaining video AD budgets.

On-line & Off-line AD

- ETtoday, the biggest news website in Taiwan, is the No.1 players in online ad.
- ETtoday embraces OOH and DOOH and cooperates with Focus Media in 2019. The new project is to integrate On-line and Offline advertising.
- More advertisers and more budgets invest in On-line to Offline AD project.
- The revenue of ETtoday is over NT 100 million in Nov.

IP

- In order to obtain international influence and position, ETtoday develops its own IP and this will also help Eastern Group to expand its retail market.
- The Jungle Voice wins the 54th Golden Bell Awards and becomes the masterpiece in Taiwan's entertainment industry. This show is widely welcomed and participated by young Chinese all over the world.
- ETtoday founded performance and art management company driving Eastern Group's branding, entertainment and retail development.

Investment Business Development Strategy— Eastern Home Shopping (EHS)



Investment Business Development Strategy— Natural Beauty

From SPA Beauty Center to Global Biotechnological Natural Skin Care Beauty Brand

Intensify R&D, Increase product lines including men, babies, and broaden health products, bolstering Chinese herbal medicine for international products.

- Channel Expansion, Sales Multiplying
- Strengthen Synergy with Eastern Group Sales & Marketing Resource
- Utilizing Strawberrynet to widen overseas expansion

1. Biotechnology Center :
Taipei Senkeng+Shanghai Fengxian
2. US & Japan R&D of Effective Raw Material
3. Expert advisory group
4. Global Market Sales Network



Taiwan

Online

+

Offline

1. EHS
2. HER Platform
3. Global Net
4. Eastern Global New Network Marketing

1. Natural Beauty
2. ETtoday Pet Store
3. Medical Cosmetic Clinics

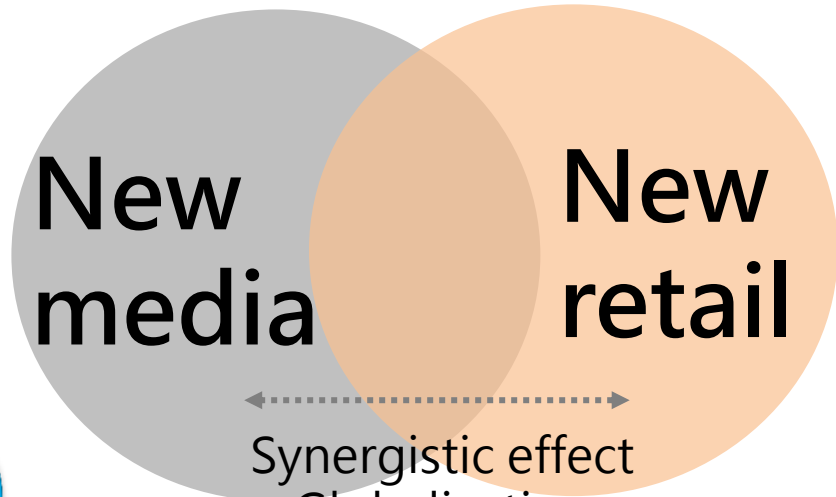
Overseas

1. Strawberrynet
2. Amazon
3. Other E-Commerce Platform

1. Natural Beauty
2. Medical Cosmetic Clinics

New retail & New media Value Creation

ET GROUP



- Entertainment content development
- Performing arts agency

Jungle Voice



Strawberry.net

- International beauty website
- Global beauty supply chain

- Social media
- News website
- Entertainment platform



ETtoday



EHS

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

- Pet social media
- O2O business model

Eastern Pet Shop



Nature Beauty

- Physical channel
- Customer experience

- Game development

GAME



Eastern Global New Network Marketing

- Direct sale



Thank you
Q&A

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