



UPSON INTERNATIONAL CORP.

Growth Mindset

2023 Annual Stockholders' Meeting



2022 Performance

₱9.5B

RECORD REVENUES, UP 10%

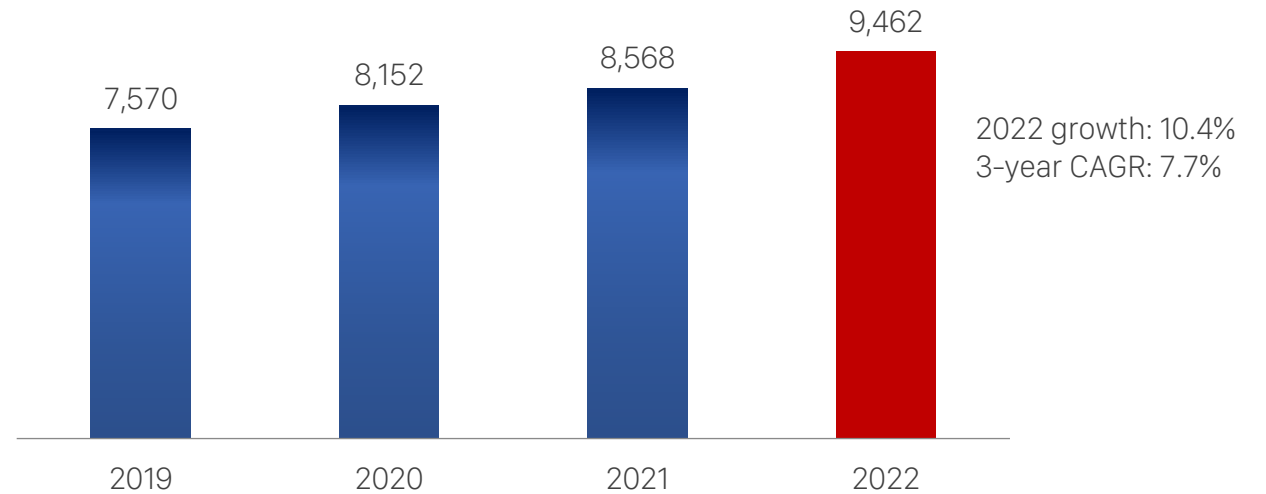
+24

NEW STORES OPENED

207

STORES AT YEAR-END

Revenues (in ₱ millions)



Driven by the 24 new stores opened during the year and the 8 stores opened in 2021

By product category, PCs were the largest growth driver followed by printing, and communication

₱2.2B

RECORD GROSS PROFIT, UP 16%

23%

**GROSS PROFIT MARGIN
+102 BASIS POINTS**

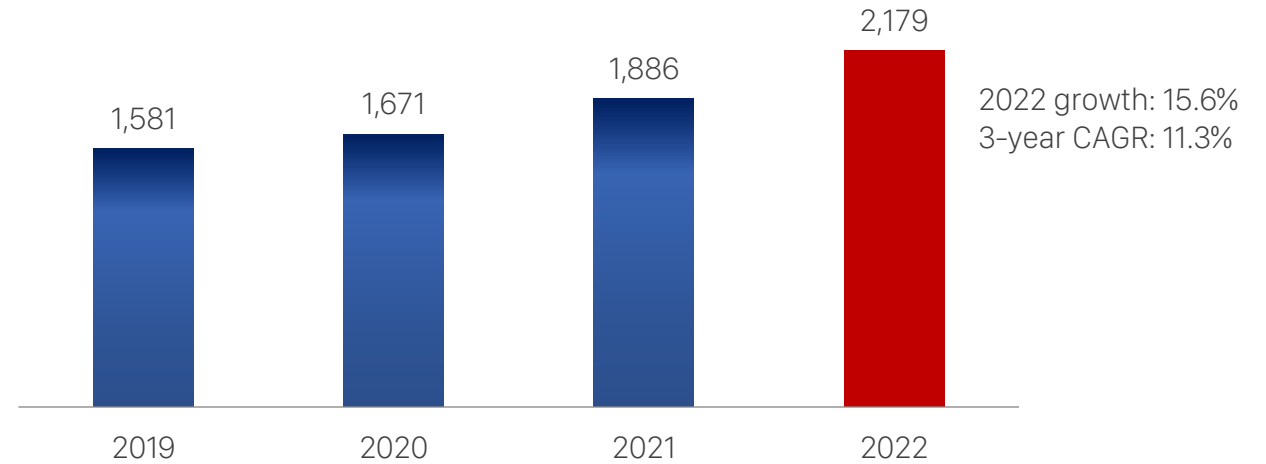
₱649.1M

RECORD OPERATING PROFIT, UP 15%

6.9%

**OPERATING PROFIT MARGIN
+29 BASIS POINTS**

Gross profit (in ₱ millions)



Reflecting increased sales volume, higher purchase discounts from suppliers, and better product margins in mobile and networking categories

₱537.9M

RECORD NET INCOME, UP 33%

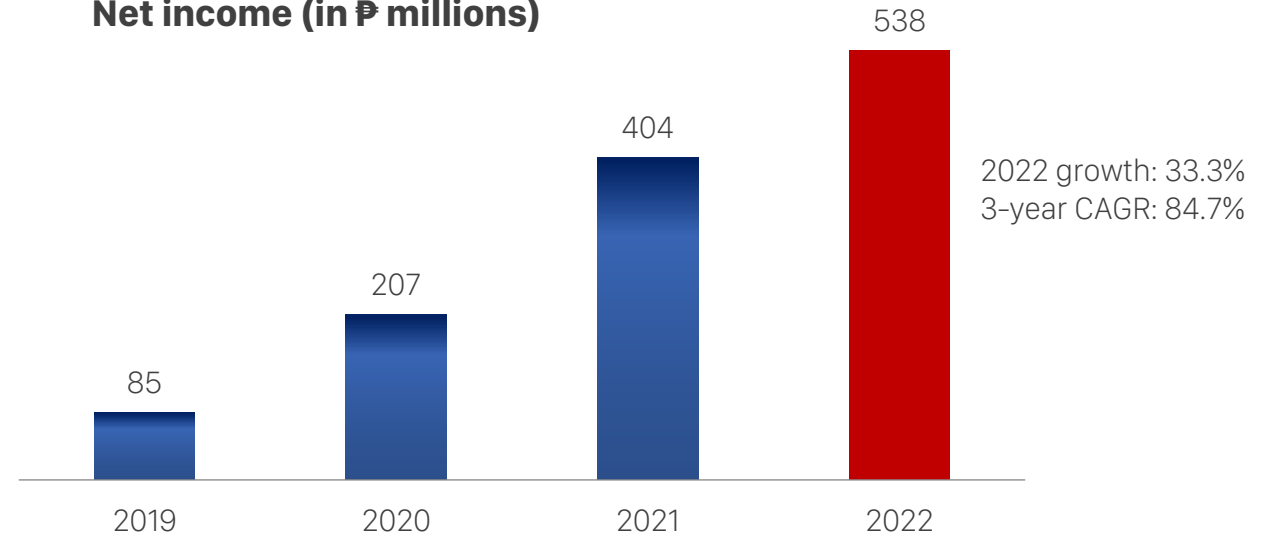
5.7%

**NET PROFIT MARGIN
+97 BASIS POINTS**

85%

3-YEAR CAGR

Net income (in ₱ millions)



Further boost from the reduction in finance costs in relation to the bank loans paid in 2021 along with the growth in other income mainly from product advertising and promotional support from suppliers

Competitive Advantages





ACCESSIBILITY

unparalleled store network
nationwide

207 stores
16 out of 17 regions present

AVAILABILITY

comprehensive and
regularly refreshed
selection

13,000 SKUs
+200 SKUs/month
14 exclusive brands

AUTHENTICITY

authentic and untampered
products

confidence and loyalty
among stakeholders

EFFECTIVE SUPPLY CHAIN

in-depth know-how
strategically located warehouses
and logistics assets
dynamic supplier collaboration



Strategic Priorities

EXPAND STORE NETWORK

+50 stores/year from 2023 to 2027 or a sum of 25,000 sq.m. retail floor area

DEVELOP MORE WAREHOUSES

+9 in Manila, Cabanatuan, Dagupan, Naga, Palawan, Iloilo, Bacolod, General Santos, and Zamboanga

ENSURE PRODUCT AVAILABILITY

add more SKUs in existing and adjacent product categories

LAUNCH NEW STORE FORMATS

to meet the demand of certain markets, complement current offerings, and facilitate new in-store experience

EXCEL IN OMNI-CHANNEL EXPERIENCE

through enhanced online presence, loyalty program, click and collect option, marketing efforts, and brand recognition

EXPLORE OPPORTUNISTIC ACQUISITIONS

based on synergy potential and financial performance





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