



GIGACLOUD
TECHNOLOGY

**Q3 Earnings
Presentation**
December 2023





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Our Mission Statement

GigaCloud is a leading B2B marketplace provider,
enabling the future of global commerce

With a meticulously developed and comprehensive B2B platform,
coupled with decades of experience, GigaCloud serves all large parcel
retailers & eCommerce players throughout the world





GigaCloud at a Glance

Strong Financials



\$178.2M / 39.2%
Revenue / YoY Growth
Q3'22 to Q3'23



\$48.9M / 117.3%
Gross Profit / YoY Growth
Q3'22 to Q3'23



\$24.2M / 3,357.1%
Net Income / YoY Growth
Q3'22 to Q3'23



\$29.8M / 16.7%
Adj. EBITDA⁽¹⁾ / Margin⁽²⁾
Q3'23



150.4%
Adj. EBITDA Growth
YoY

Tremendous Scale



\$684.8M
GigaCloud Marketplace GMV
LTM ended 9/30/23



40.8%
GigaCloud Marketplace GMV
Growth
YoY



\$369.5M
3P Seller GigaCloud Marketplace
GMV
LTM ended 9/30/23



67.0%
3P Seller GigaCloud Marketplace
GMV Growth
YoY

Extensive Reach



741
Active Sellers
LTM ended 9/30/23



43.3%
Active Seller Growth
YoY



4,602
Active Buyers
LTM ended 9/30/23



9.6%
Active Buyer Growth
YoY



~\$149.0k
Active Buyer Spend
LTM ended 9/30/23

(1) Net income + income tax expense + interest expense-interest income + depreciation and amortization + share-based compensation expense

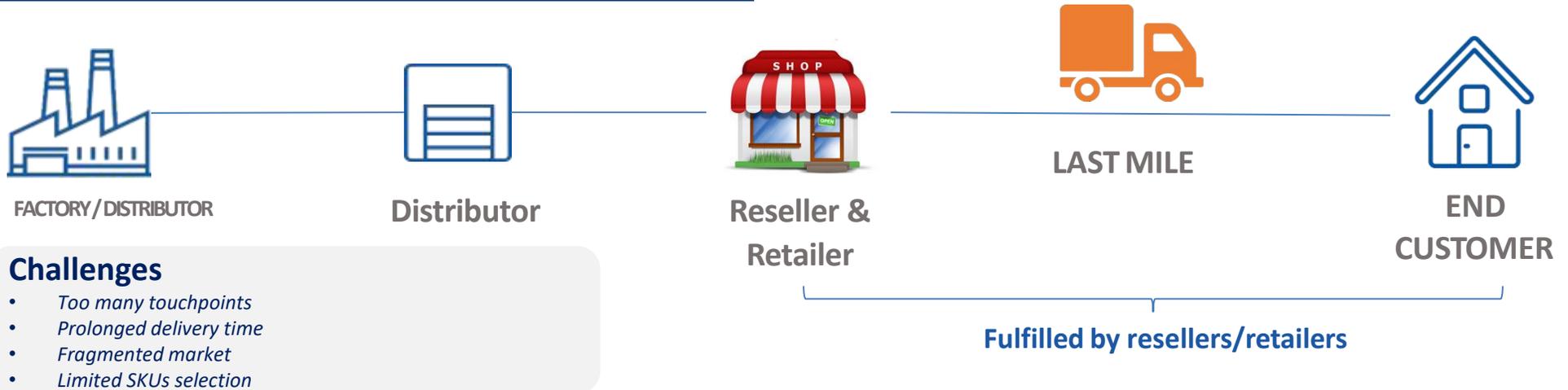
(2) Adj. EBITDA/revenue

Source: Company management

Supplier Fulfilled Retailing: Using Internet to Revolutionize B2B



CURRENT MODEL



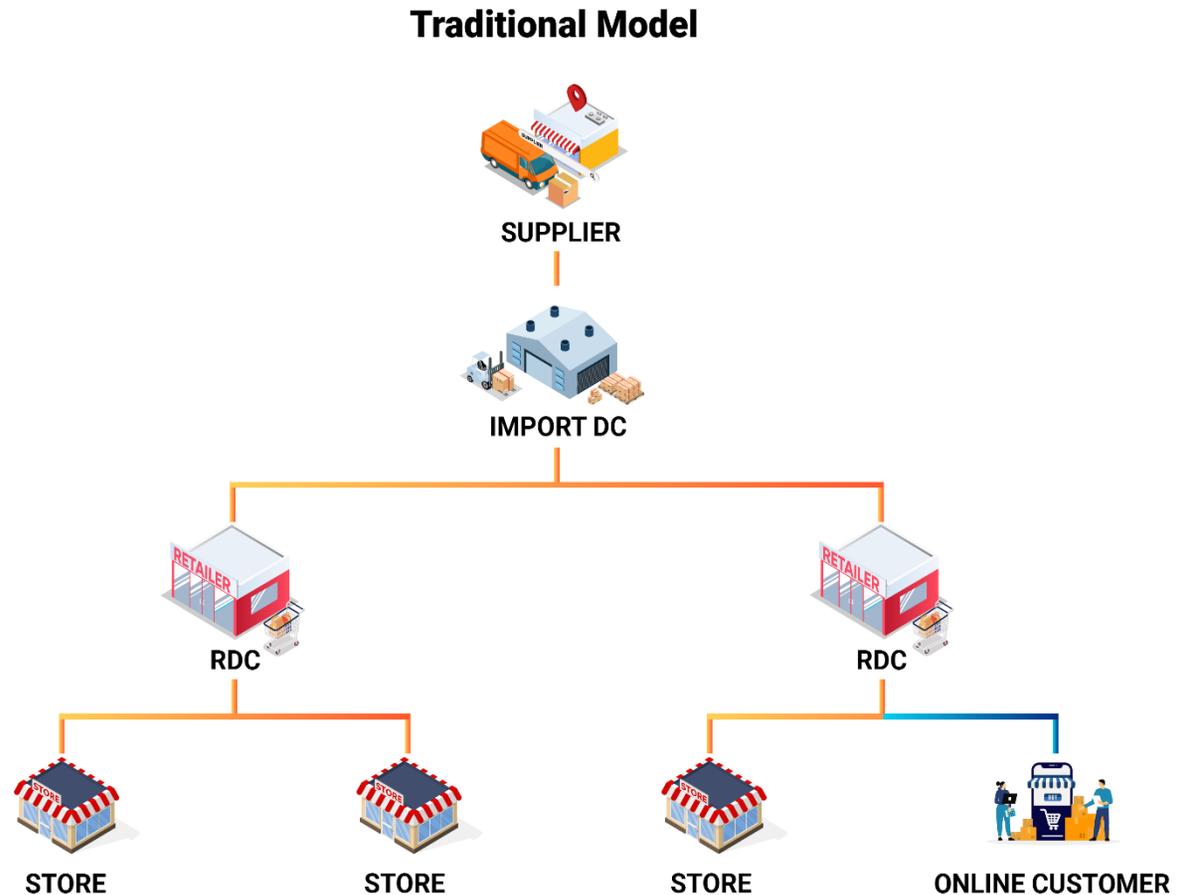
GigaCloud Supported Supplier Fulfilled Retailing



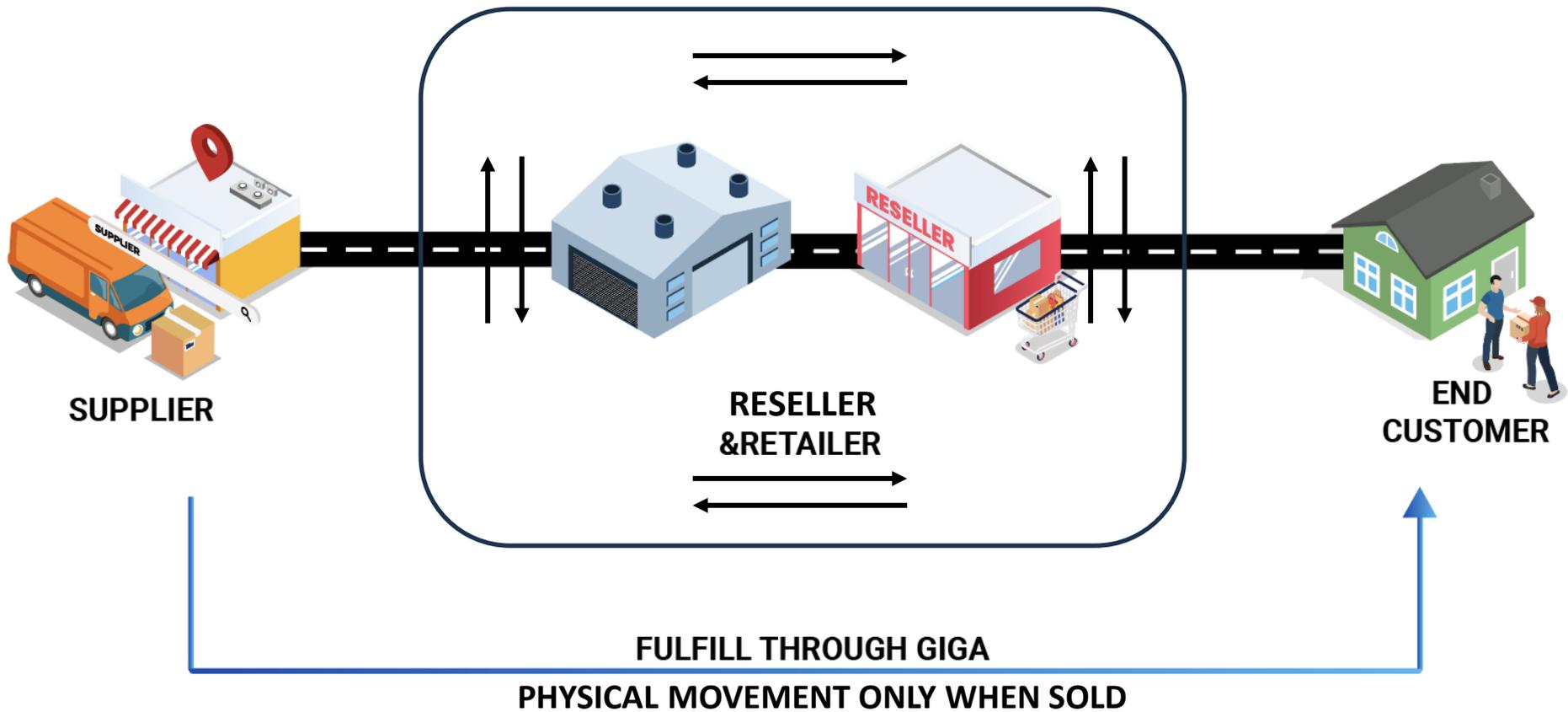
Challenges of the Existing Supply Chain Model

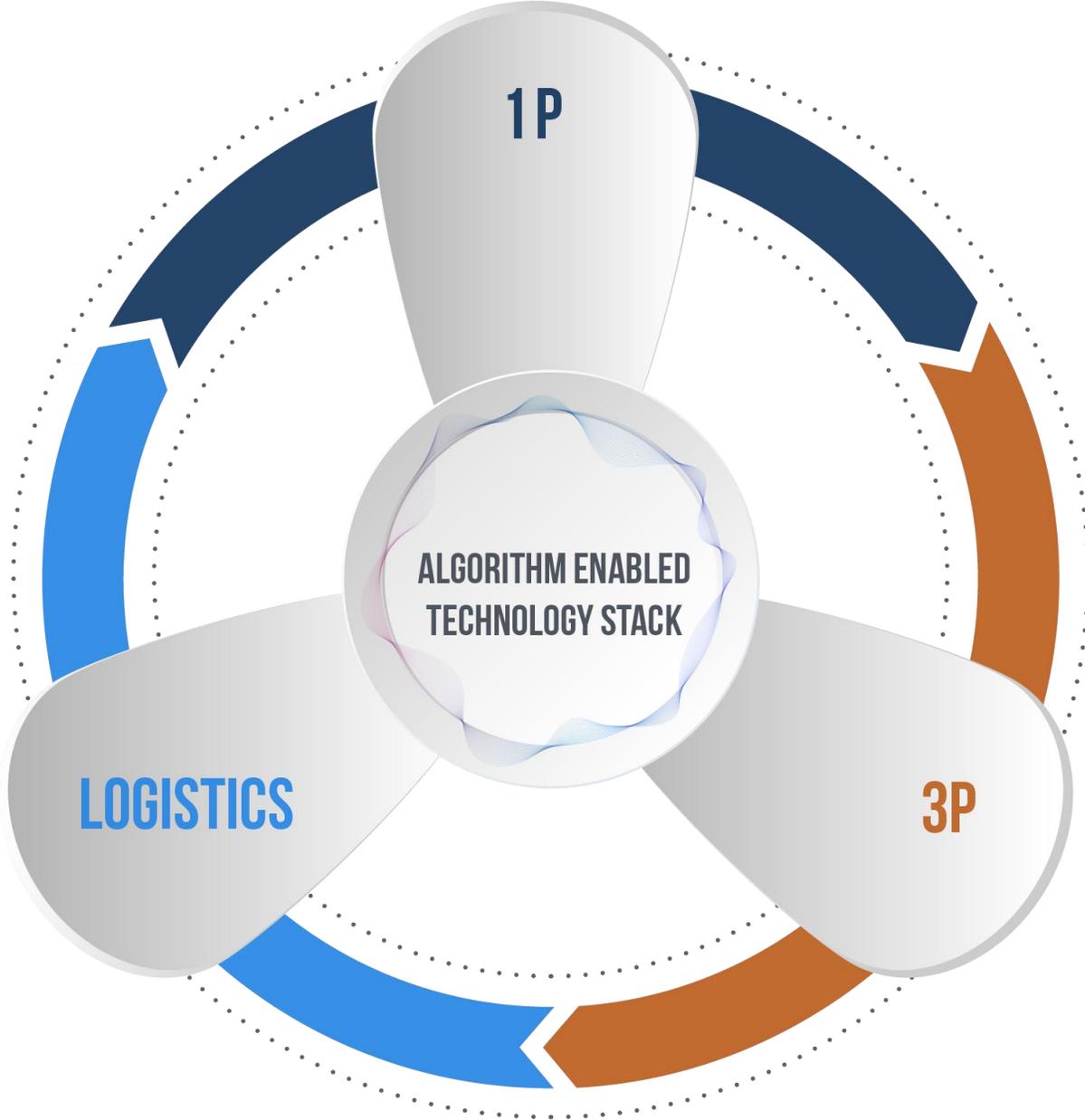


- 1 Too Many Touchpoints
- 2 Prolonged Delivery Time
- 3 Fragmented Market
- 4 Limited SKUs Selection
- 5 High Inventory Carrying Costs



Supplier Fulfilled Retailing: Multi-Directional Trade, Uni-Directional Fulfillment



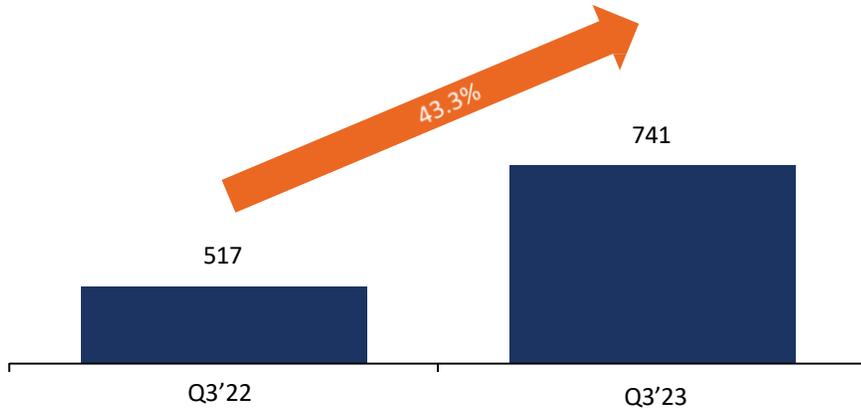


Access to Rapidly Growing Seller and GMV



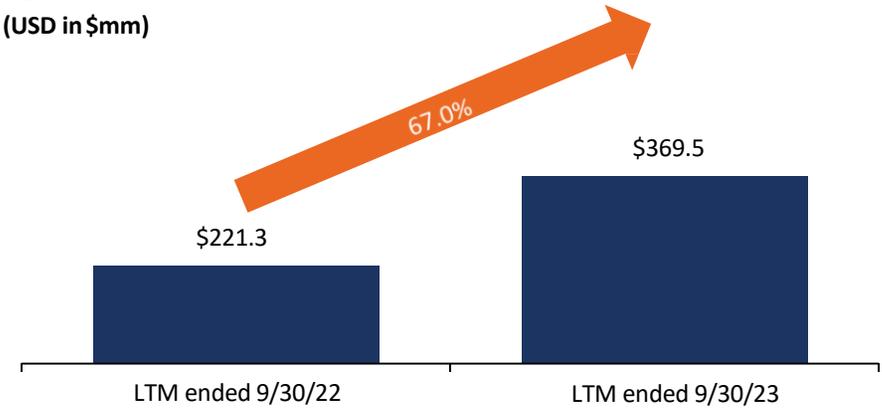
Active Sellers Increasing Quickly...

Number of Active Sellers



... Results in Significant Growth in 3P Seller GMV

GigaCloud Marketplace 3P Seller GMV
(USD in \$mm)



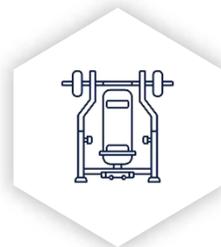
Expansion of Product Categories from Large Furniture to Home Appliances, Fitness Equipment, and Gardening



Furniture



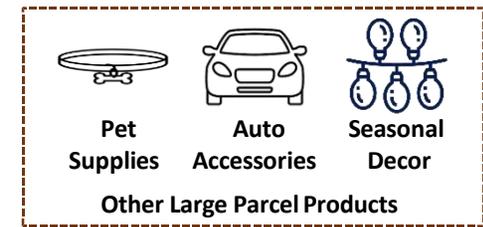
Home Appliance



Home Fitness
Equipment



Gardening



Additional Categories

Attractive Buyer Cohort Trends



Key Buyer Trends

- GigaCloud Marketplace has witnessed a consistent growth in the spending of active buyers since its establishment
 - Buyers who joined in 2022 increased their spend from \$43M in Q3'22 to \$47M in Q3'23, resulting in 9.3% QoQ increase
- We anticipate sustained momentum in buyer spending and engagement through the expansion of service offerings and the enhancement of our logistics capabilities
- Furthermore, we look forward to a continued growth in the number of active buyers, driven by customer referrals and word-of-mouth

Q3 2023 Key Statistics

4,602

Active Buyers
Q3'23

\$~149.0k

Spend per Active Buyer
Q3'23

Active Buyer Spend (GMV) in GigaCloud Marketplace



Source: Company management.

(1) Buyers represent the group of buyers who first purchased products on the GigaCloud Marketplace in a given year

(2) Active Buyers shows the total number of buyers who have made at least one purchase in our GigaCloud Marketplace in the last twelve months

Flexible Trading Tools to Facilitate Transactions



Home / Furniture / Primary Living Space / Chairs/Accent Seating / [New+Video] 58" Velvet Chaise Lounge,Button Tufted Right Arm...



[New+Video] 58" Velvet Chaise Lounge,Button Tufted Right Arm Facing Lounge Chair with Nailhead Trim & Solid Wood Legs for Living Room or Office, Sleeper Lounge Sofa (Black) (New style of WF284880AAB)

Item Code: WF297646AAB First Available: 2022-11-29 Return Rate: Low

Price(Unit)	\$175.00	
Spot Price(Unit)	\$165.00 2 - 4 PCS	\$155.00 5 + PCS
Margin(Unit) ? 20.00% deposit	\$155.00 10 - 30 PCS	
Futures(Unit) ?	2023-03-20 \$150.00	

Purchase Quantity: Unit 0 Available [More on the way](#)

Fulfillment options: **Drop Shipping** (Estimated Fulfillment Fee: \$37.08 /Unit) | **Cloud Wholesale Fulfillment** (Estimated Fulfillment Fee: \$15.49-\$36.18 /Unit (Min. volume/address: 100ft³))

Storage fee: \$0.07 / day(Estimated) [Learn more](#)

0 Piece \$0.00
Total Item Cost \$0.00
\$175.00 /Unit
Estimated Total (Fulfillment Fee included) \$212.08 /Unit
Drop Shipping Handling Time 1-3 business days
CWF Handling Time 3-5 business days

[BUY NOW](#)
[ADD TO CART](#)

[Resource Package](#) | Downloads: 124 ?

Online Chat
Customer Service
Message Center

1

Simple Transactions

- Drop shipping transactions where GigaCloud picks up products in GigaCloud warehouse and delivers directly to end customer, without the need for buyer to handle any aspect of the fulfillment

2

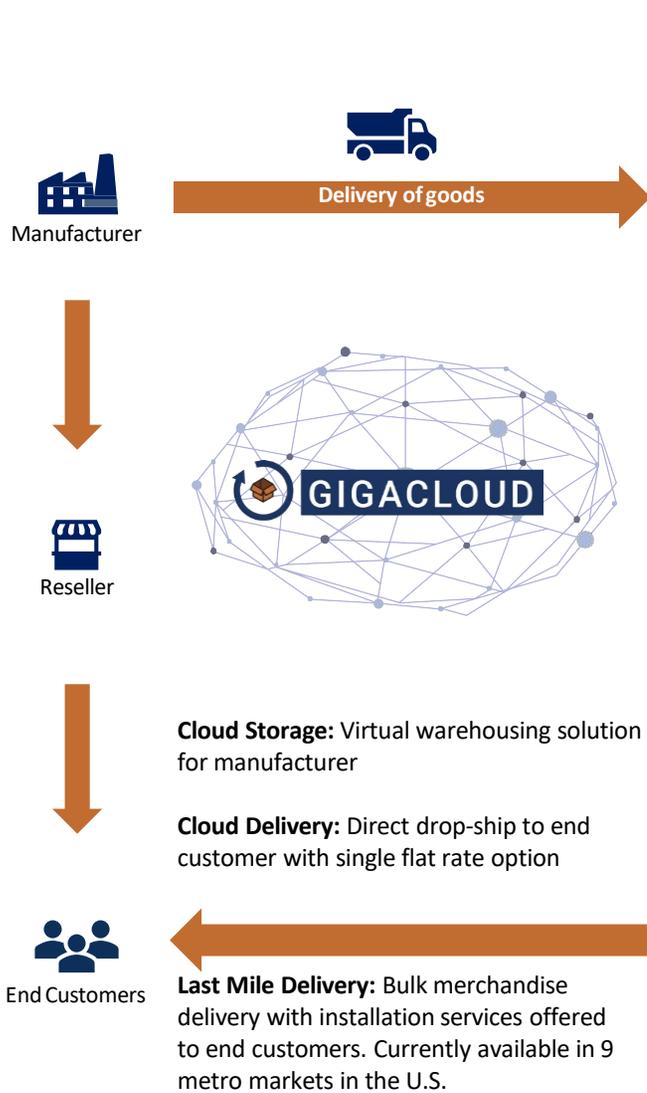
Complex Transactions

- Rebate
- Margin transaction
- Spot price
- Margin transaction for future goods

HARDWARE: End-to-End Logistics Capabilities



End-to-End Cross Border Fulfillment Capabilities



Ocean Transportation

- Covering over 15 ports of loading and 11 ports of destination
- 12,000+ annual containers

Extensive Trucking Network

- Partnership with all major trucking and freight service providers

Global Logistics Network*

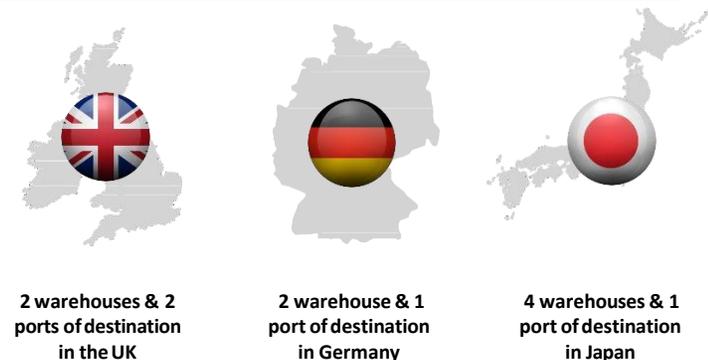
- 31 large-scale warehouses located in 5 countries globally
- 7M+ sq. ft. of warehouse space
- Unified warehouse management system

Extensive N.A. Resources*

- Strategic locations across North America
 - Close to major ports
 - Proximity to customers
 - Shortened delivery time to end consumer
- Three key operating centers in CA, AT, and NJ



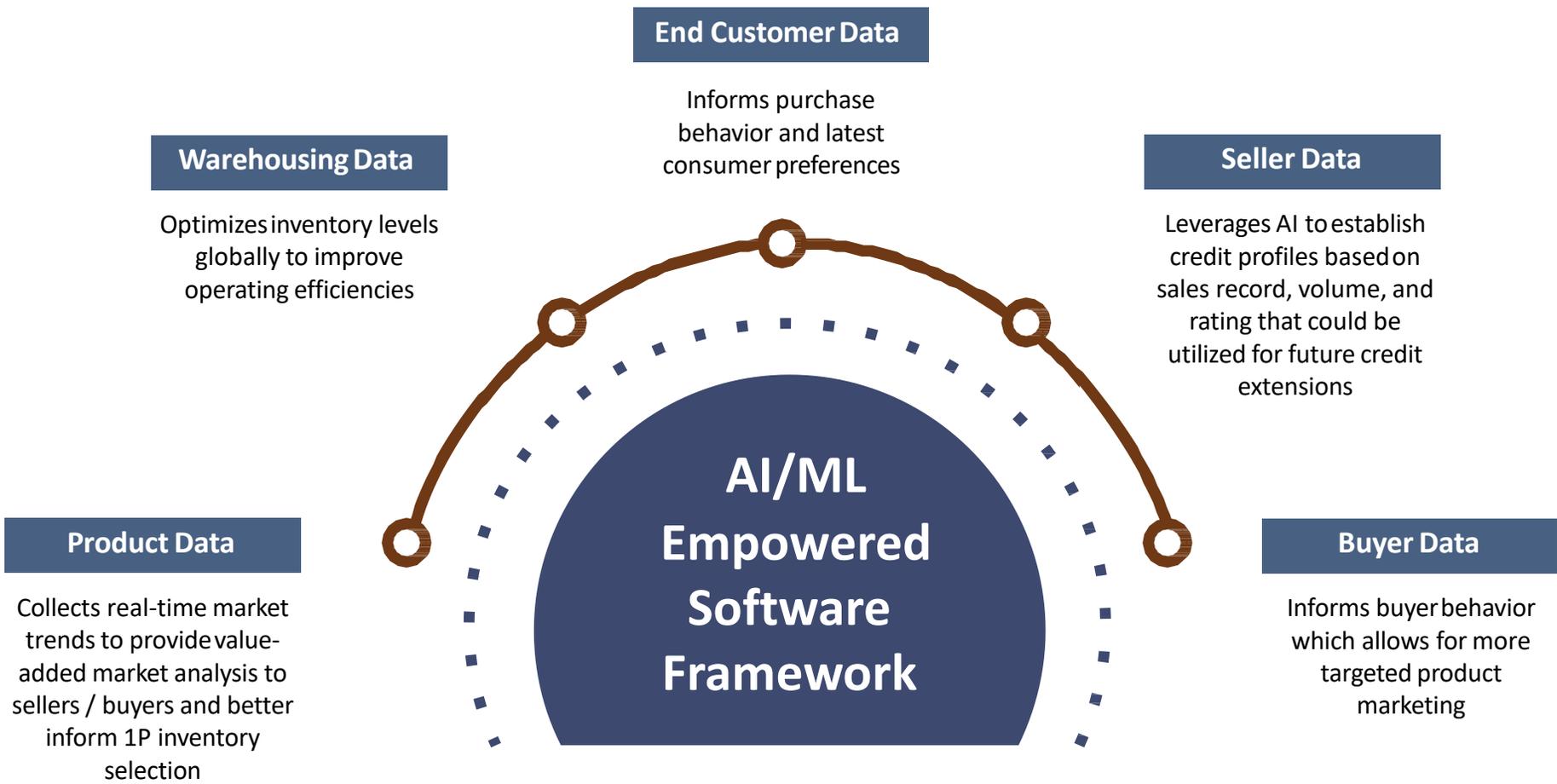
International Resources



*: As of 12/5/23, combined with warehouses acquired from Noble House



Data Driven Technology Stack Powered by AI & Machine Learning Drives Incremental Operating Efficiencies



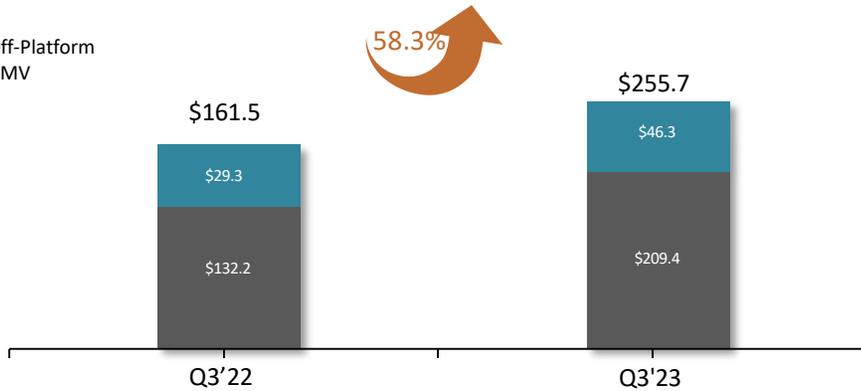
Q3 Financial Performance Update



Value shown in charts are in million

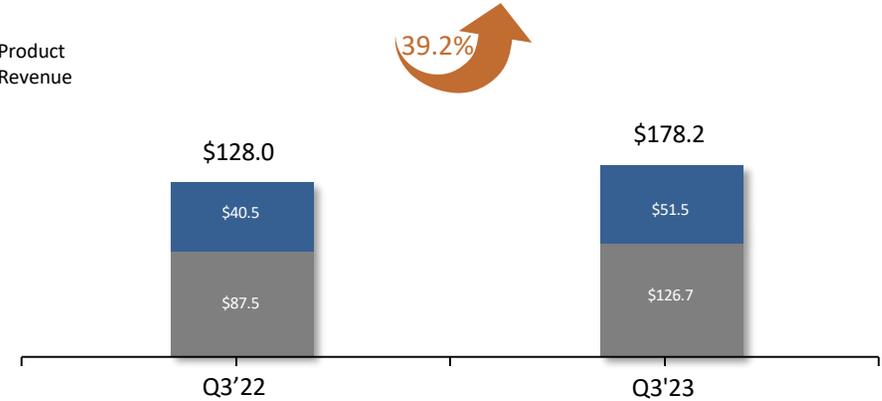
Total GMV

- Marketplace GMV
- Off-Platform GMV



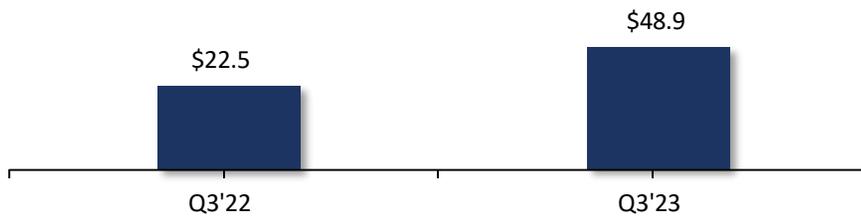
Total Revenue

- Service Revenue
- Product Revenue



Gross Profit

117.3%



%

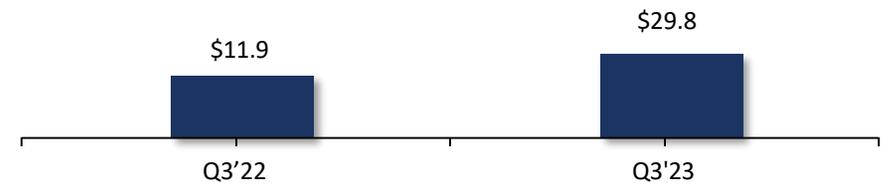
Margin*:

17.6%

27.4%

Adj. EBITDA

150.4%



9.3%

16.7%

Source: Company management

*Gross Margin = Gross Profit / Total Revenue * 100%; Adj. EBITDA Margin = Adj. EBITDA / Total Revenue * 100%



Noble House Home Furnishings LLC is a leading B2B distributor of indoor and outdoor home furnishings

- Asset acquisition of select Normal House assets for \$85M, subject to customary purchase price adjustment
- Transaction closed on October 31, 2023
- Funded by cash under balance sheet

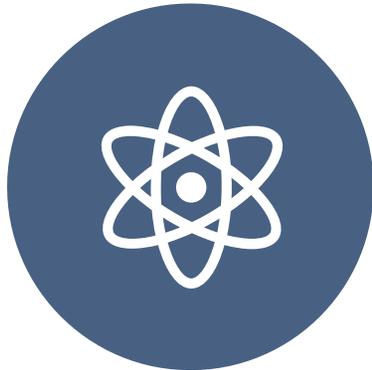


Wondersign is a cloud-based interactive digital signage and e-catalog management SaaS company with access to thousands of storefronts across the U.S. through its customers

- Acquisition of a 100% equity interest of Wondersign for total cash consideration of \$10M, subject to customary purchase price adjustment
- Transaction closed on November 15, 2023
- Funded by cash under balance sheet



Expandable platform with significant avenues for growth with the integration of Noble House & Wondersign



Core Businesses Optimization

- Integrate diverse product offerings and enhances global warehouse/ market expansion for streamlined operations and enhanced business performance
- Reciprocal channel usage to sell Giga products through Noble House's channels, and vice versa



Service Offerings Elevation

- Leverage extensive customer and vendor relationships from Noble House to foster collaboration and optimize mutual growth opportunities in the evolving market landscape
- Enable marketplace buyers to access and procure products through an expanded network of channels
- Develop new private label offerings with major furniture brands



Business Reach and Rebrand

- Development of GIGA IQ™ Package, a new innovative solution package which enables customers from brick-and-mortar retailers to browse extensive SKUs from the marketplace, enhancing the reach and transaction experience for both marketplace participants and traditional retail customers



Tech and Supply Chain Enhancement

- Integration of Wondersign's automated catalog management tools expand the service offering capabilities of GigaCloud B2B Marketplace to navigate into a customer-facing B2B marketplace for brick-and-mortar retailers
- Empowering retailers to efficiently manage their supply chains, ultimately boosting transactional effectiveness



THANK YOU

