



GIGACLOUD
TECHNOLOGY

**Q1 Earnings
Presentation**
May 2024





The information contained in this presentation has been prepared by GigaCloud Technology Inc (the “Company”) solely for informational purposes and should not be construed to be, directly or indirectly, in whole or in part, an offer to buy or sell and/or an invitation and/or a recommendation and/or a solicitation of an offer to buy or sell any security or instrument or to participate in any investment or trading strategy, nor shall any part of it form the basis of, or be relied on in connection with, any contract or investment decision in relation to any securities or otherwise.

This document does not contain all relevant information relating to the Company or its securities, particularly with respect to the risks and special considerations involved with an investment in the securities of the Company. Nothing contained in this document shall be relied upon as a promise or representation as to the past or future performance of the Company. Past performance does not guarantee or predict future performance.

You acknowledge that any assessment of the Company that may be made by you will be independent of this document and that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.

This document contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “will,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates,” “confident” and similar statements. Among other things, the business outlook and quotations from management in this document, if any, as well as the Company’s strategic and operational plans, contain forward-looking statements. The Company may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the “SEC”), in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Company’s beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement. Further information regarding these and other risks is included in the Company’s filings with the SEC. All information provided herein is as of the date of this document, and the Company undertakes no obligation to update any forward-looking statement, except as required under applicable law.

This document may also contain non-GAAP financial measures, the document of which is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with accounting principles generally accepted in the United States of America. In addition, the Company’s calculation of these non-GAAP financial measures may be different from the calculation used by other companies, and therefore comparability may be limited. The reconciliation of those measures to the most comparable GAAP measures is contained within this document or available at our website <https://investors.gigacloudtech.com>.



GigaCloud at a Glance

Strong Financials



\$251.1M / 96.5%
Revenue / YoY Growth
Q1'23 to Q1'24



\$66.5M / 124.7%
Gross Profit / YoY Growth
Q1'23 to Q1'24



\$27.2M / 71.1%
Net Income / YoY Growth
Q1'23 to Q1'24



\$34.5M / 13.7%
Adj. EBITDA⁽¹⁾ / Margin⁽²⁾
Q1'24



74.2%
Adj. EBITDA Growth
Q1'23 to Q1'24

Tremendous Scale



\$907.7M
GigaCloud Marketplace GMV
LTM ended 3/31/24



64.0%
GigaCloud Marketplace GMV
Growth
YoY



\$489.9M
3P Seller GigaCloud Marketplace
GMV
LTM ended 3/31/24



71.8%
3P Seller GigaCloud Marketplace
GMV Growth
YoY

Extensive Reach



865
Active 3P Sellers
LTM ended 3/31/24



43.7%
Active Seller Growth
YoY



5,493
Active Buyers
LTM ended 3/31/24



29.1%
Active Buyer Growth
YoY



~\$165.0k
Active Buyer Spend
LTM ended 3/31/24

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

(2) Adj. EBITDA/revenue

Source: Company management

Our Mission Statement

GigaCloud is a pioneer of global end-to-end B2B technology solutions for large parcel merchandise

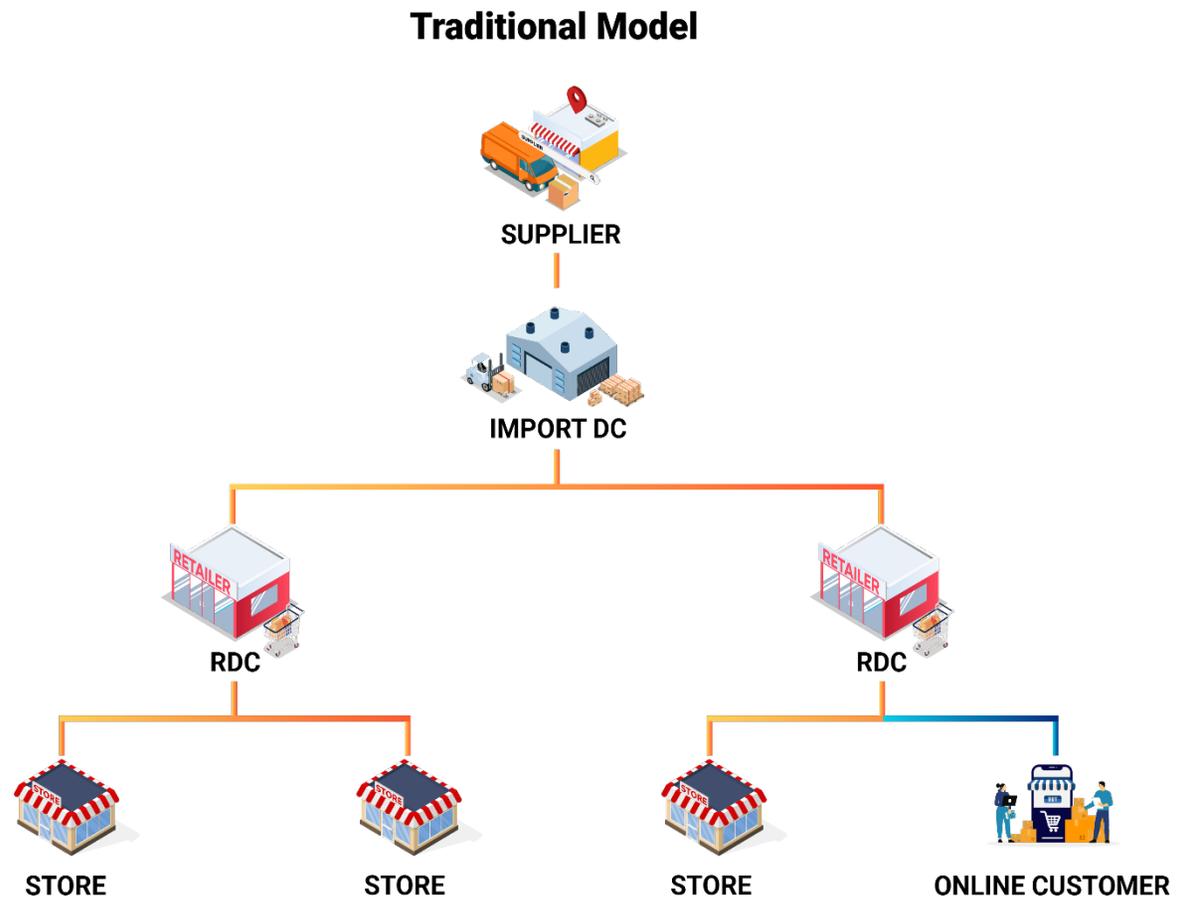
With a meticulously developed and comprehensive B2B platform coupled with decades of industry experience, GigaCloud delivers success to large parcel & ecommerce players throughout the world



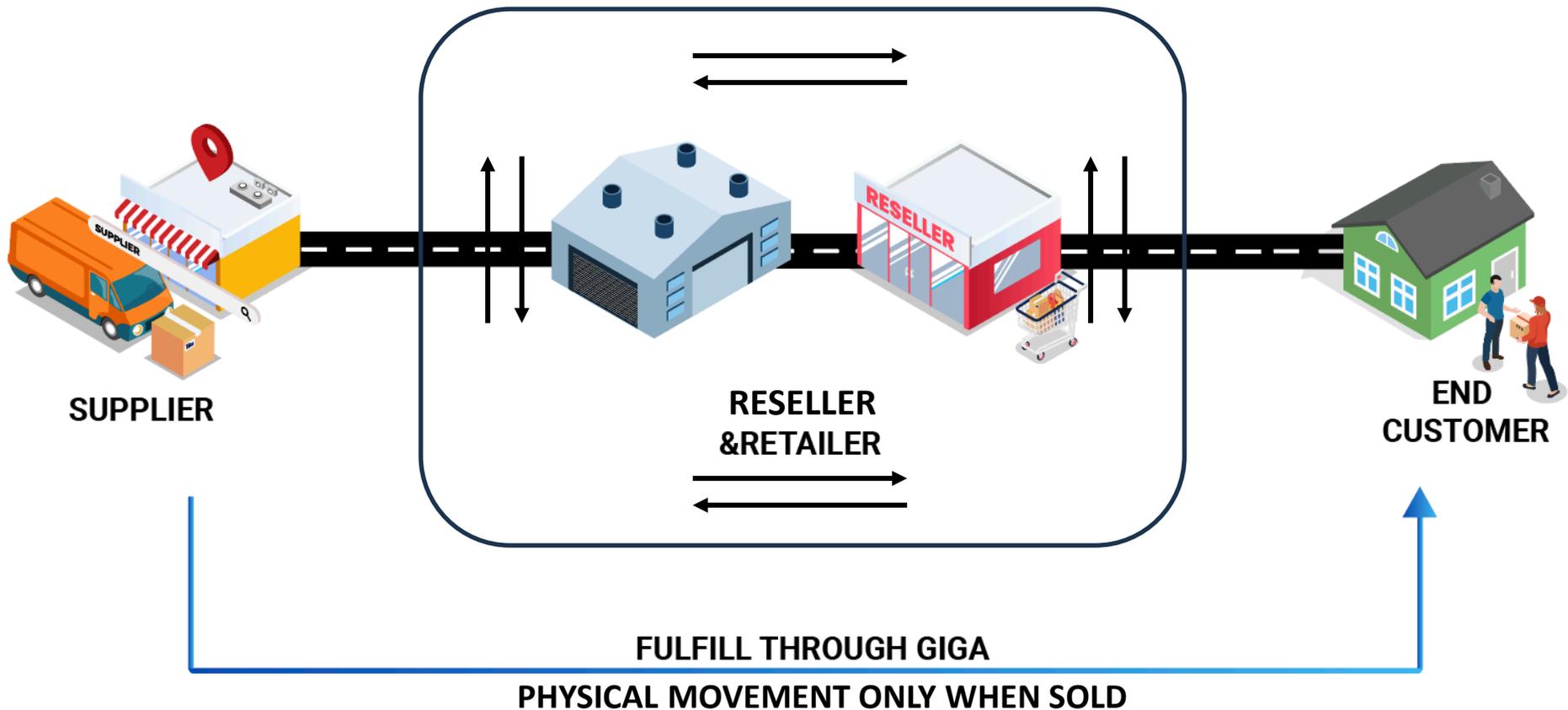
Challenges of the Existing Supply Chain Model



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



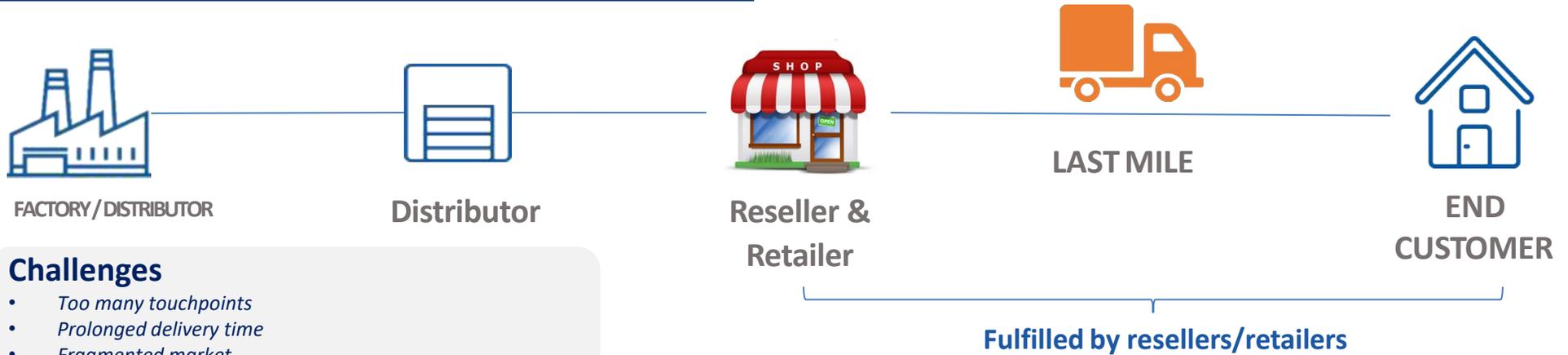
Supplier Fulfilled Retailing: Multi-Directional Trade, Uni-Directional Fulfillment



Supplier Fulfilled Retailing: Using Internet to Revolutionize B2B



CURRENT MODEL



Challenges

- Too many touchpoints
- Prolonged delivery time
- Fragmented market
- Limited SKUs selection

GigaCloud Supported Supplier Fulfilled Retailing

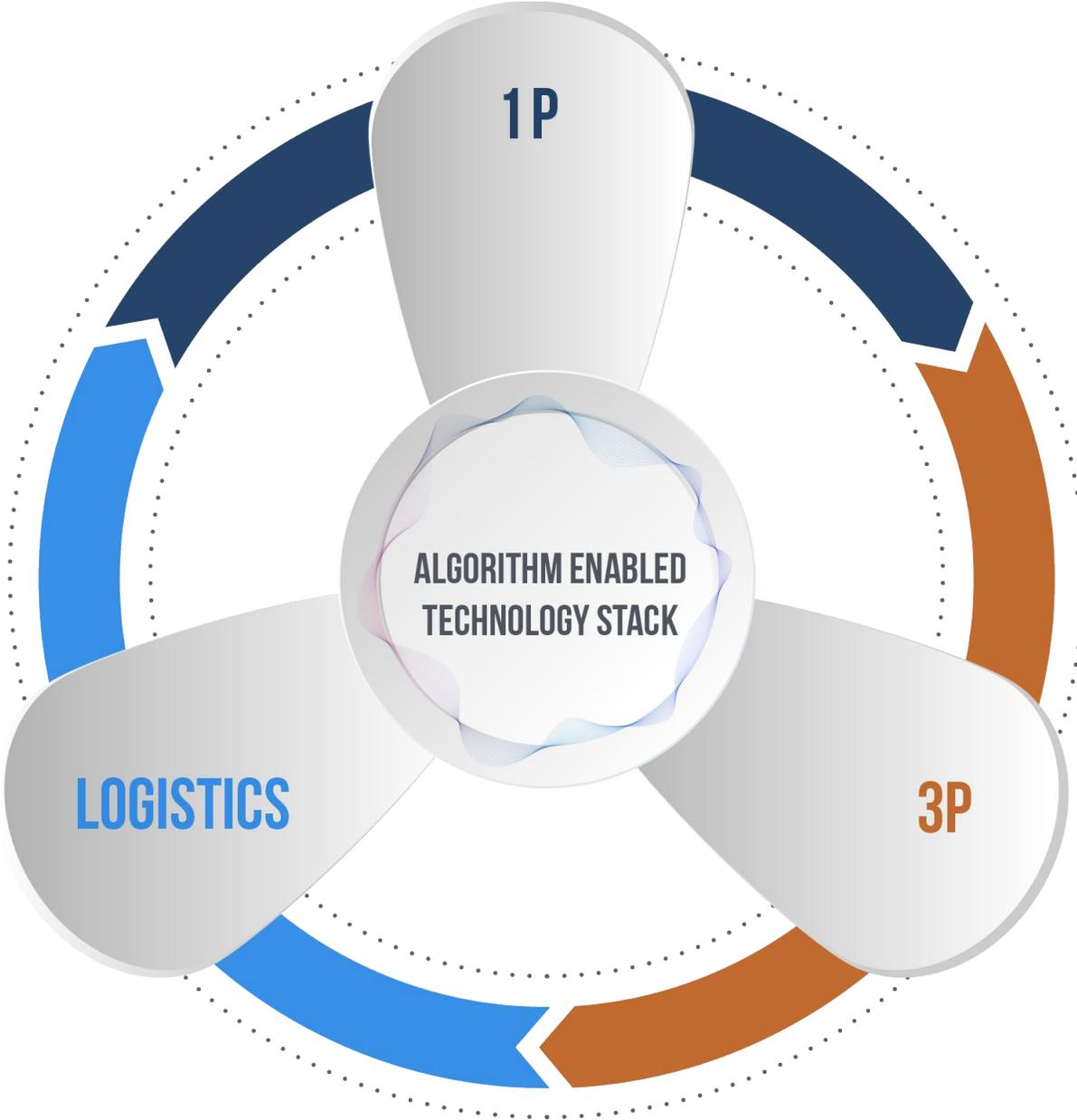
Enhance Distribution Channels
Logistics Management

Product Discovery
Payment Solution
Warehousing



Advantages

- Fewer touchpoints lead to less cost and higher margin
- Pooling of risk for the entire industry
- Better efficiency through optimization by a central party (GigaCloud)

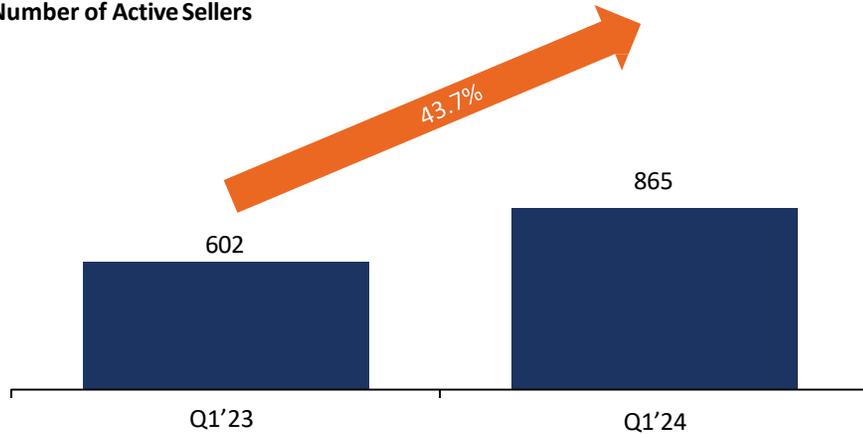


Access to Rapidly Growing Seller and GMV



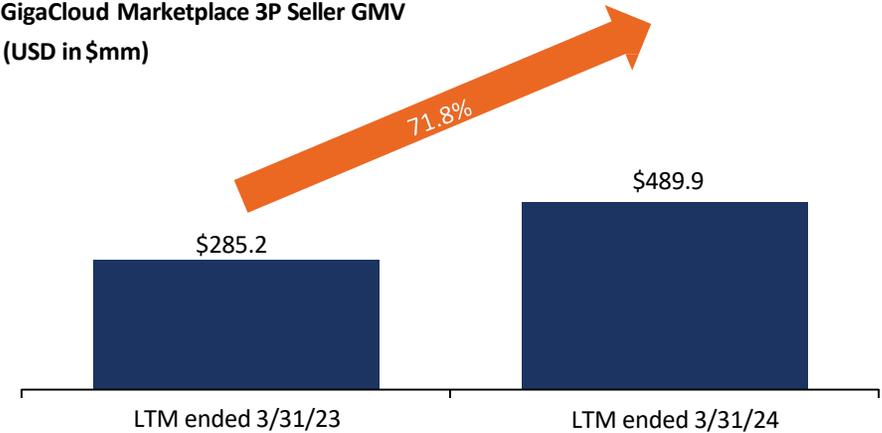
Active Sellers Increasing Quickly...

Number of Active Sellers



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

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



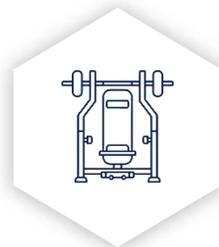
Expansion of Product Categories from Large Furniture to Home Appliances, Fitness Equipment, and Gardening



Furniture



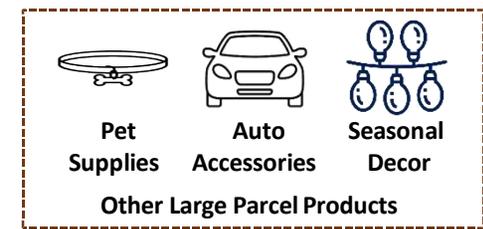
Home Appliance



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 2023 increased their spend from \$58M in Q4'23 to \$71M in Q1'24, resulting in 22.4% QoQ increase
- We anticipate sustained momentum in buyer spending and engagement through the expansion of service offerings and the enhancement of our fulfillment capabilities
- Furthermore, we look forward to a continued growth in the number of active buyers, driven by customer referrals and word-of-mouth

Key Statistics

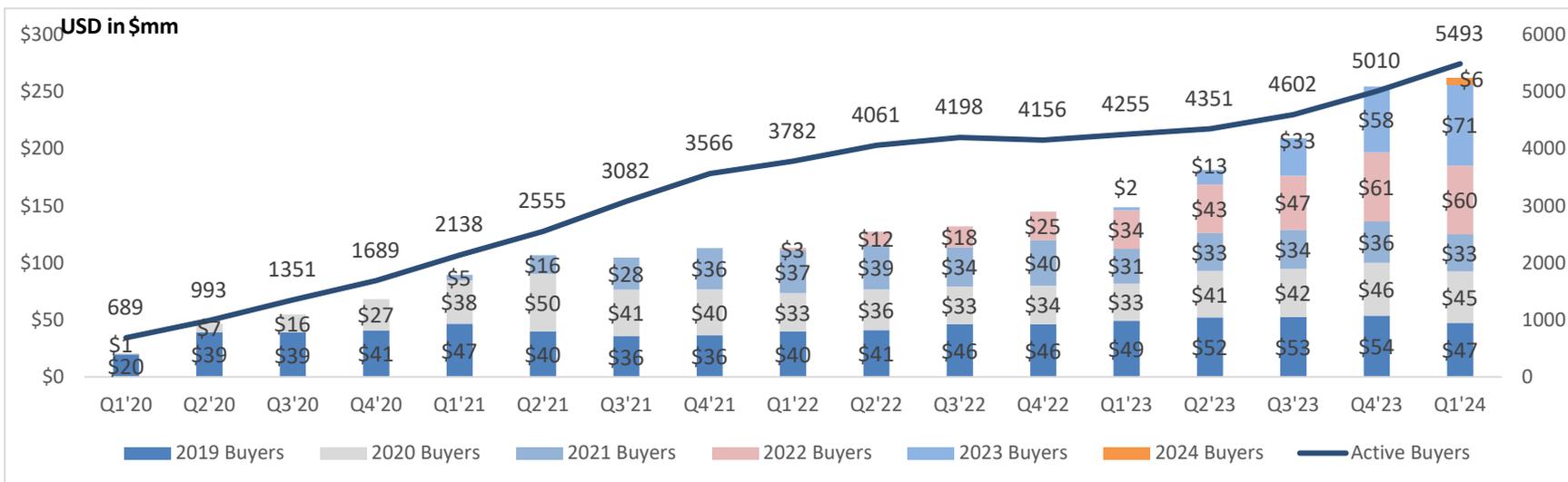
5,493

Active Buyers
Q1'24

\$~165.0k

Spend per Active Buyer
Q1'24

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	BID
Futures(Unit) ?	2023-03-20 \$150.00	BID

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 ?

GT N723 \$3.36 / PR: 92
Return Rate: Moderate
Return Approval Rate: Moderate
[Message Seller](#)

Online Chat
Customer Service
Message Center

1

Simple Transactions

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

2

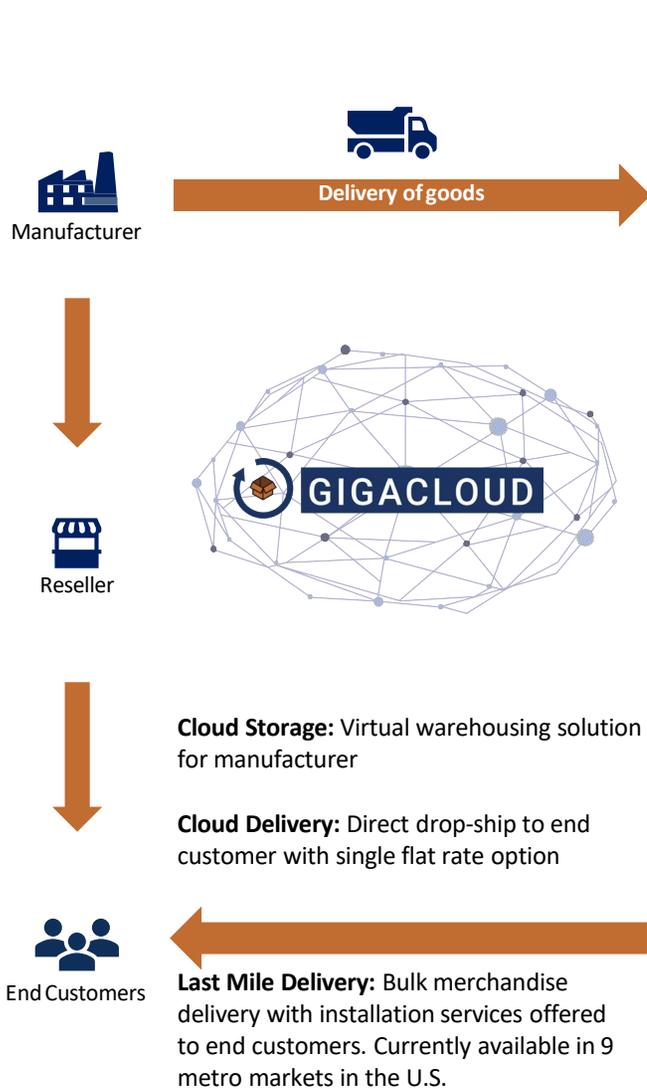
Complex Transactions

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

HARDWARE: End-to-End Fulfillment Strength



End-to-End Cross Border Fulfillment Capabilities



Cloud Storage: Virtual warehousing solution for manufacturer

Cloud Delivery: Direct drop-ship to end customer with single flat rate option

Last Mile Delivery: Bulk merchandise delivery with installation services offered to end customers. Currently available in 9 metro markets in the U.S.



Ocean Transportation

- Covering 12 ports of destination
- 17,000+ annual containers



Extensive Trucking Network

- Partnership with all major trucking and freight service providers



Global Fulfillment Network

- 42 large-scale facilities located in 5 countries globally
- 10M+ sq. ft. of total space
- Unified fulfillment management system

Extensive N.A. Resources

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



International Resources



2 fulfillment centers & 2 ports of destination in the UK



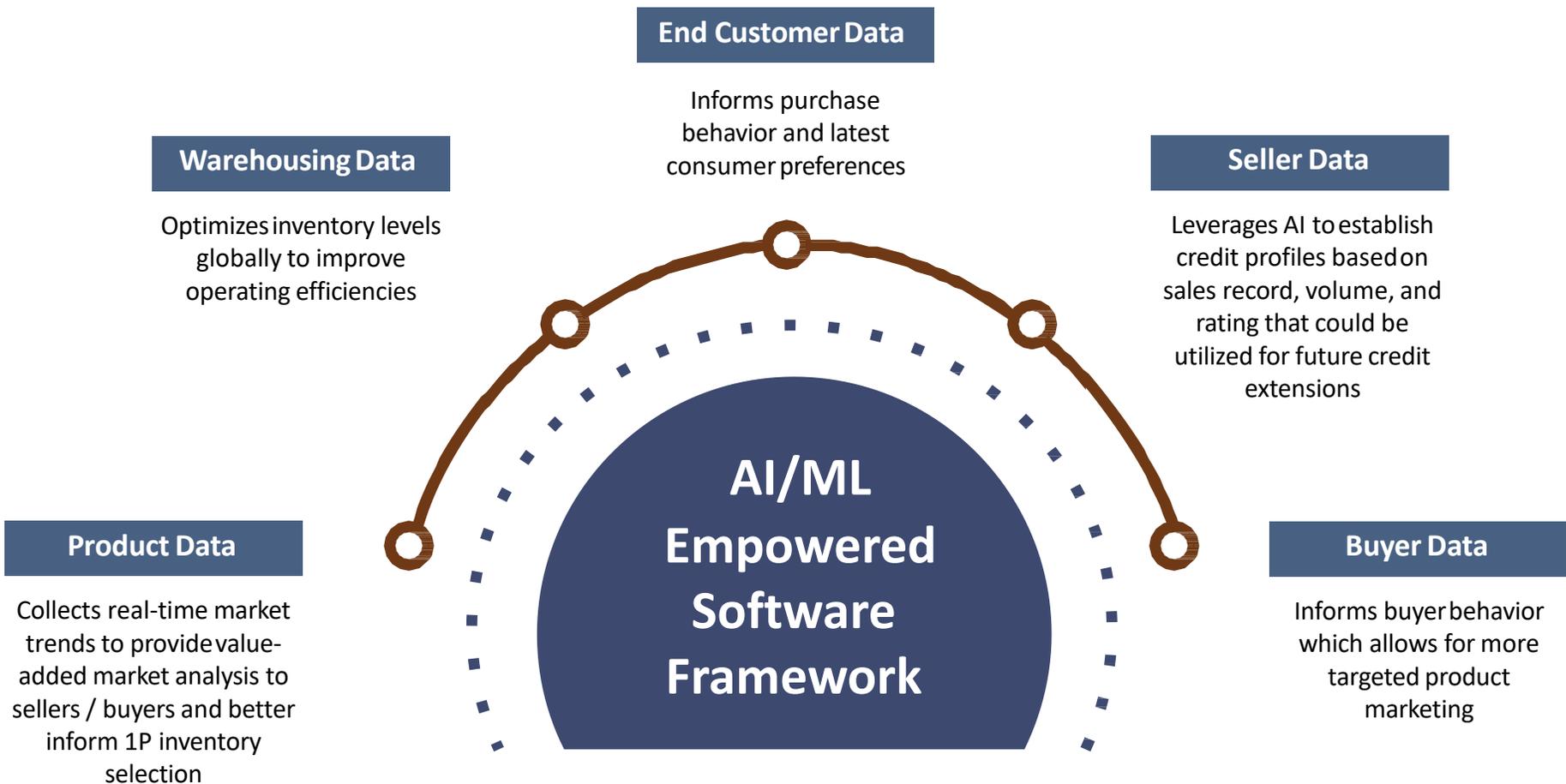
2 fulfillment center & 2 ports of destination in Germany



4 fulfillment centers & 1 port of destination in Japan



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



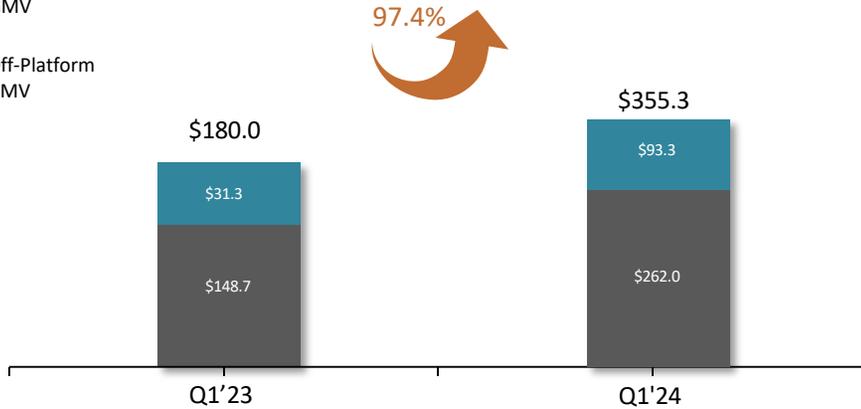
Q1 Financial Performance Update



Value shown in charts are in million

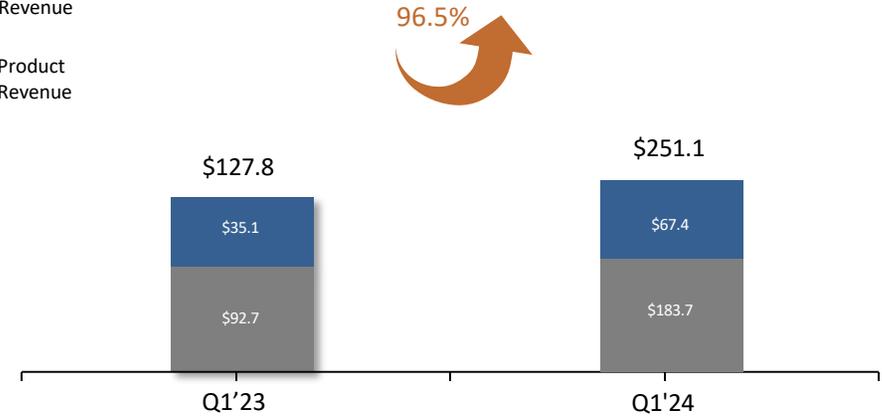
Total GMV

- Marketplace GMV
- Off-Platform GMV



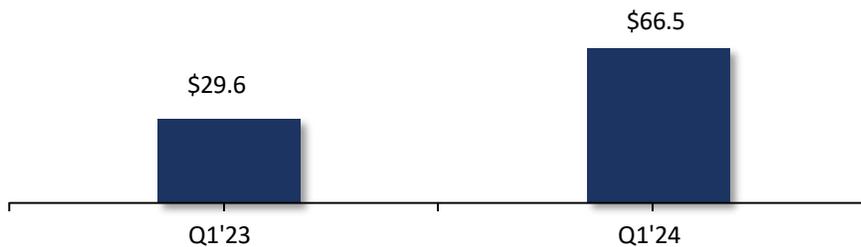
Total Revenues

- Service Revenue
- Product Revenue



Gross Profit

124.7%



%

Margin*:

23.1%

26.5%

Adj. EBITDA

150.4%



15.5%

13.7%

Source: Company management

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



Expandable platform with significant avenues for growth



Core Businesses Optimization

- Integrate Noble House business volumes from third-party channels into the B2B Marketplace to enhance streamlined operations and offer expanded product selections for buyers



Service Offerings Elevation

- Leverage extensive customer / vendor relationships from Noble House to foster collaboration and optimize mutual growth opportunities in the evolving market landscape



Business Reach Acceleration

- Ongoing execution of BaaS Program, an industry-first initiatives designed to boost the competitiveness of Sellers in the B2B GigaCloud Marketplace by allowing them to sell products under the leading American furniture brand Christopher Knight Home



Technology 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



THANK YOU

