



GIGACLOUD
TECHNOLOGY

**Q1 Earnings
Presentation**
May 2023





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Our Mission Statement

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

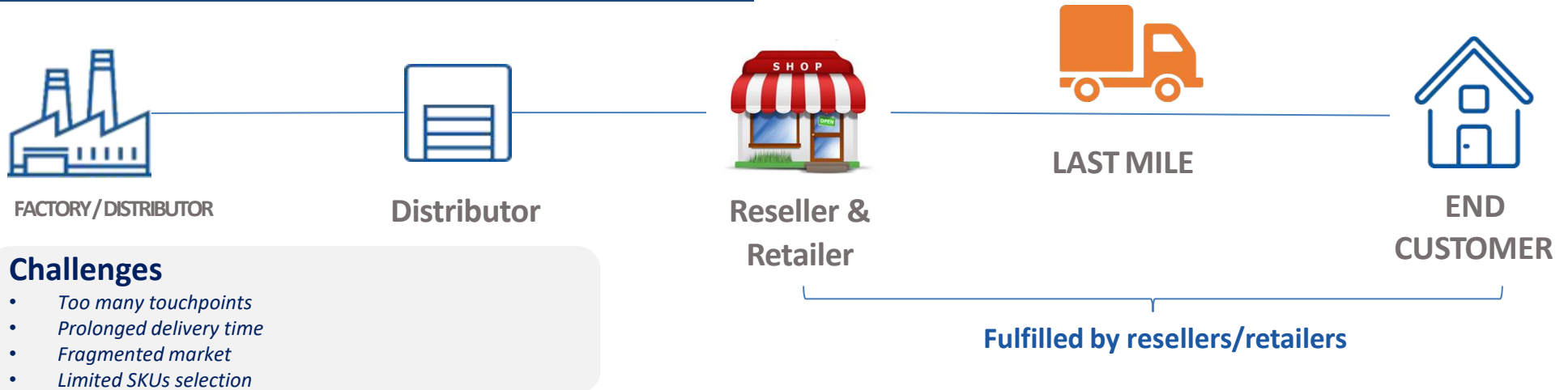
With a meticulously developed and comprehensive B2B platform,
coupled with decades of experience, GigaCloud serves all large parcel
retailers & eCommerce players throughout the world



Supplier Fulfilled Retailing: Using Internet to Revolutionize B2B



CURRENT MODEL



GigaCloud Supported Supplier Fulfilled Retailing

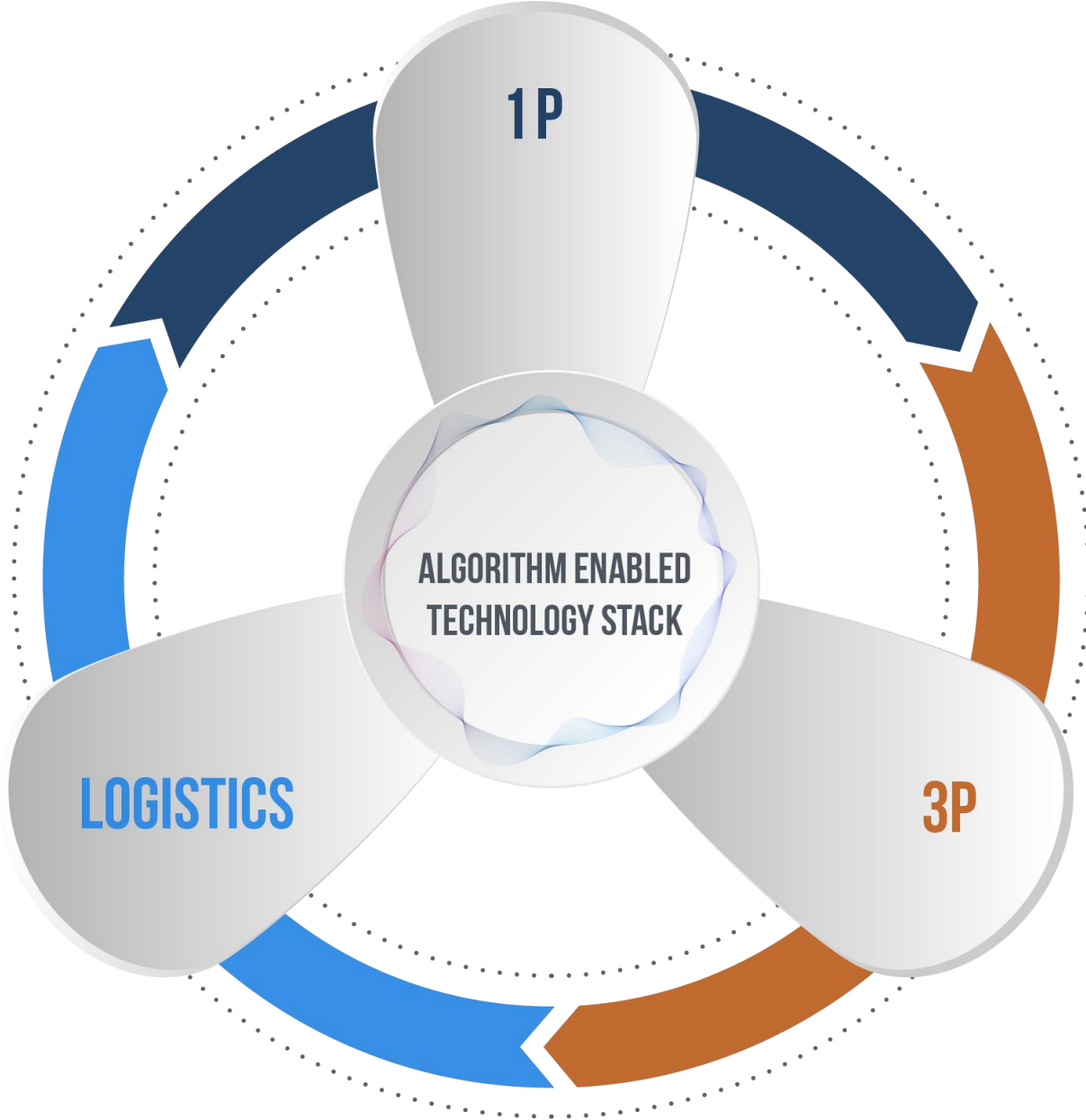
Enhance Distribution Channels
Logistics Management

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)

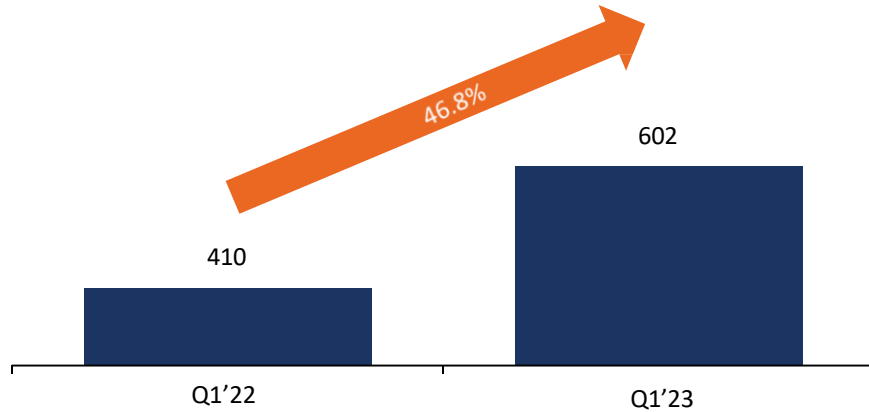


Access to Rapidly Growing Seller and GMV



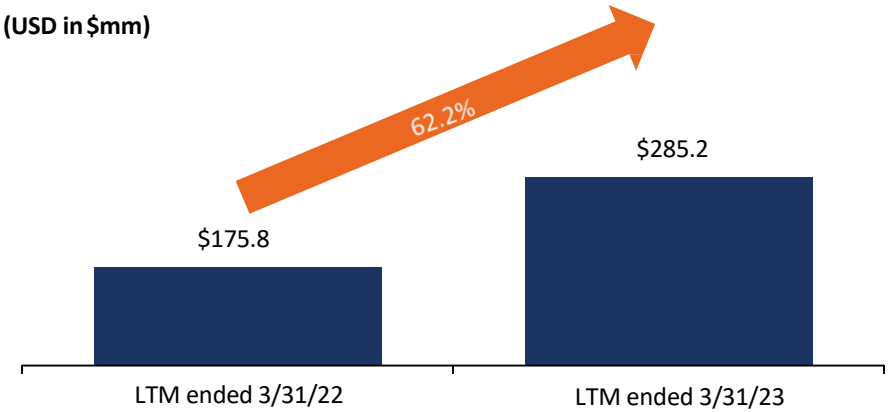
Active Sellers Increasing Quickly...

Number of Active Sellers



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

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



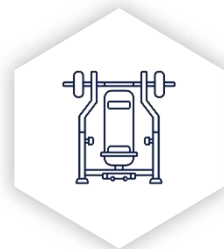
Expansion of Product Categories from Large Furniture to Home Appliances, Fitness Equipment, and Gardening



Furniture



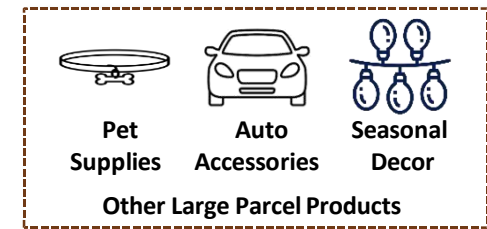
Home Appliance



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 2022 increased their spend from \$25M in Q4'22 to \$34M in Q1'23, resulting in 36% QoQ increase
- We expect continued momentum in buyer spend and engagement as we expand service offerings and enhance our logistics capabilities
- Additionally, we expect the number of active buyers continue to grow as a result of customer referrals and word-of-mouth

Q1 2023 Key Statistics

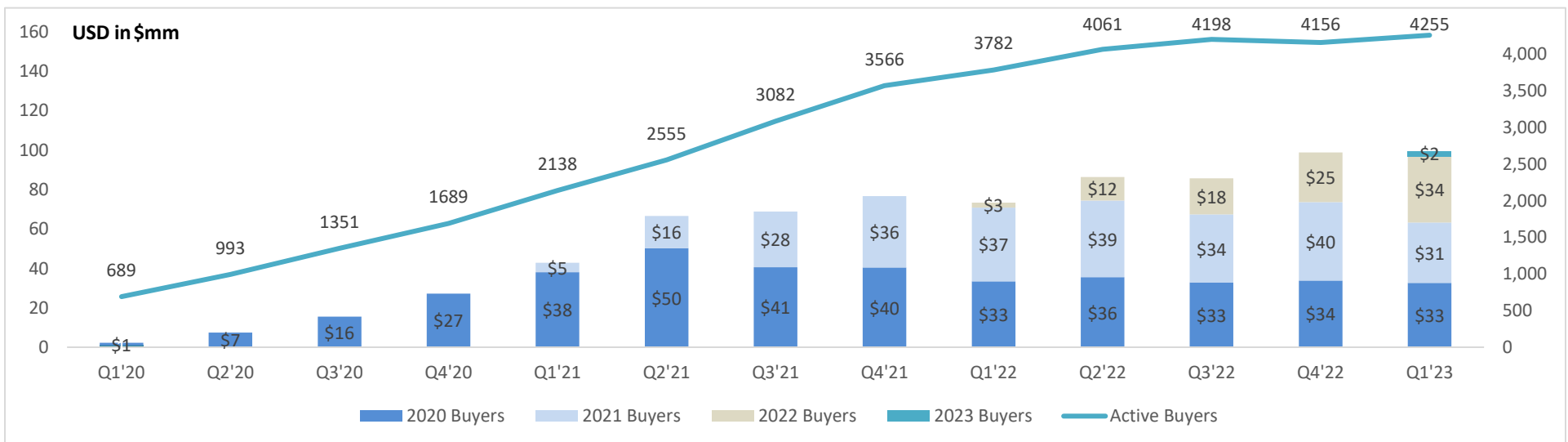
4,255

Active Buyers
Q1'23

\$~130.1k

Spend per Active Buyer
Q1'23

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

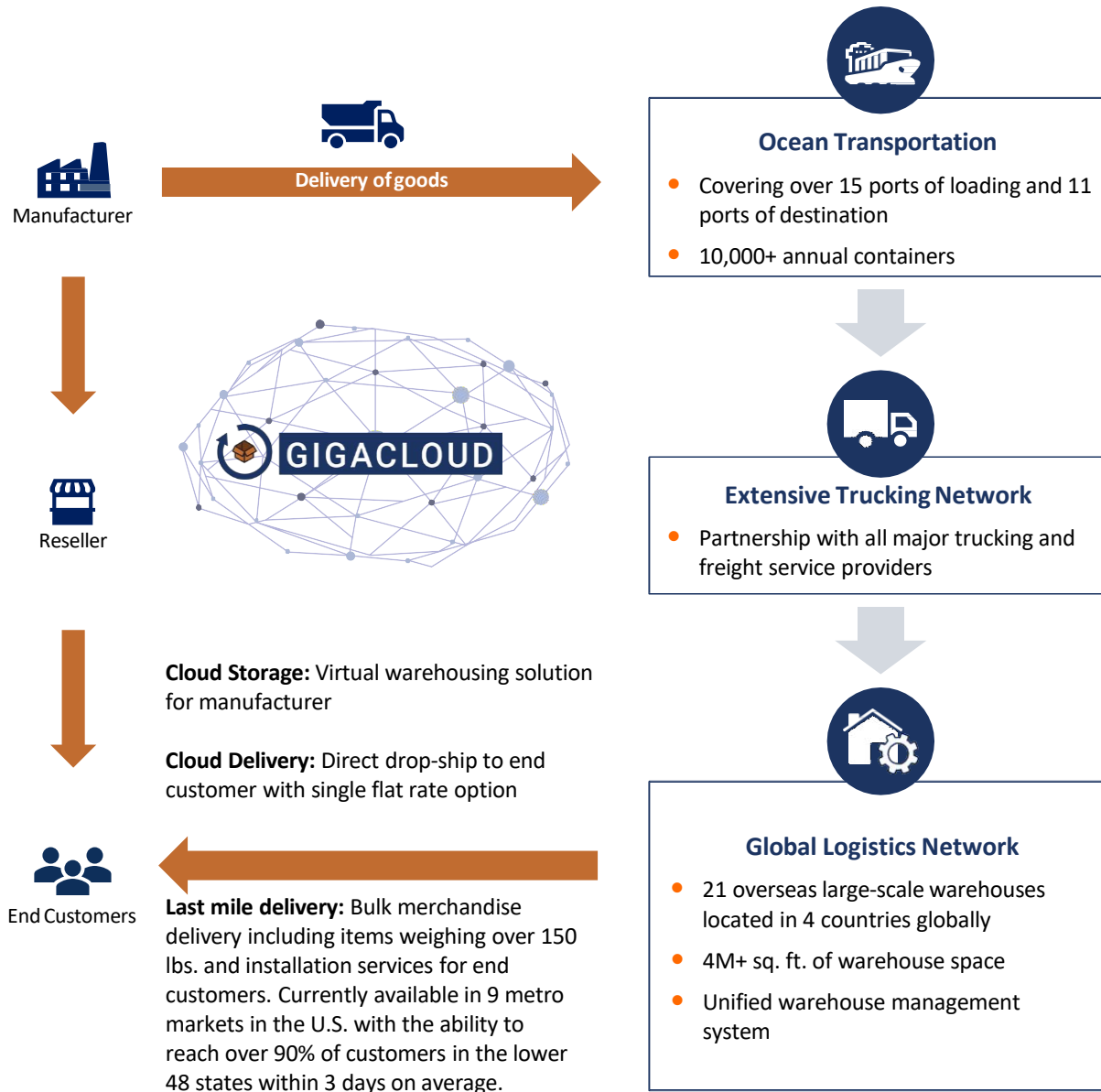
Complex Transactions

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

HARDWARE: End-to-End Logistics Capabilities



End-to-End Cross Border Fulfillment Capabilities

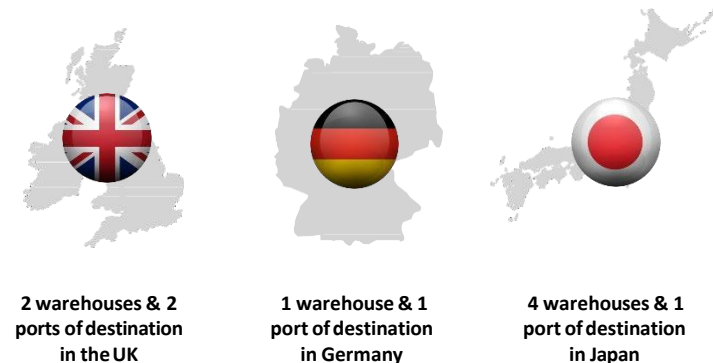


U.S. Local Resources

- Strategic locations nationwide
 - Close to major ports
 - Proximity to customers
 - Shortened delivery time to end consumer
- Three key operating centers in L.A., Atlanta and New Jersey

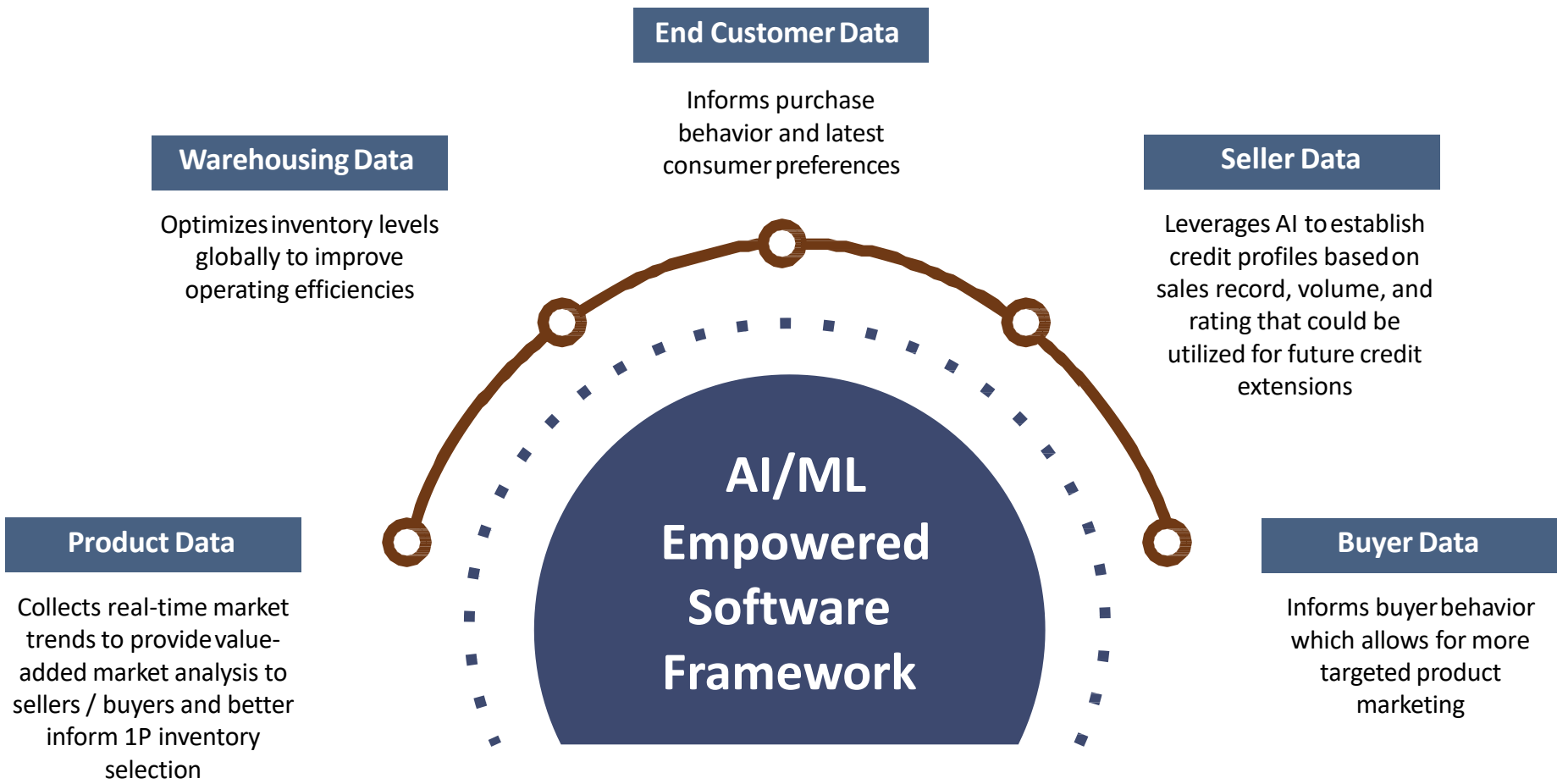


International Resources





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





GigaCloud at a Glance

Strong Financials



\$127.8M / 13.7%
Revenue / YoY Growth
Q1'22 to Q1'23



\$29.6M / 75.3%
Gross Profit / YoY Growth
Q1'22 to Q1'23



\$15.9M / 236.4%
Net Income / YoY Growth
Q1'22 to Q1'23



\$19.8M / 15.5%
Adj. EBITDA⁽¹⁾ / Margin⁽²⁾
Q1'23



186.5%
Adj. EBITDA Growth
YoY

Tremendous Scale



\$553.5M
GigaCloud Marketplace GMV
LTM ended 3/31/23



26.3%
GigaCloud Marketplace GMV
Growth
Q1'22 to Q1'23



\$285.2M
3P Seller GigaCloud Marketplace
GMV
LTM ended 3/31/23



62.2%
3P Seller GigaCloud Marketplace
GMV Growth
Q1'22 to Q1'23

Extensive Reach



602
Active Sellers
LTM ended 3/31/23



46.8%
Active Seller Growth
YoY



4,255
Active Buyers
LTM ended 3/31/23



12.5%
Active Buyer Growth
YoY



~\$130.1k
Active Buyer Spend
LTM ended 3/31/23

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

(2) Adj. EBITDA/revenue

Source: Company management

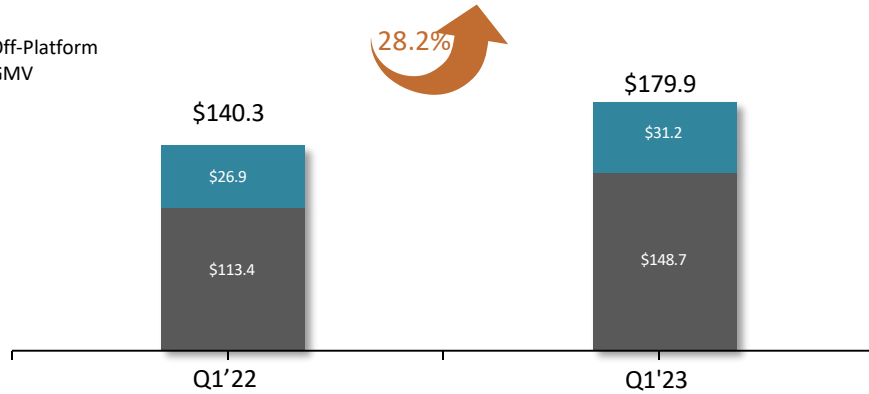
Q1 Financial Performance Update



Value shown in charts are in million

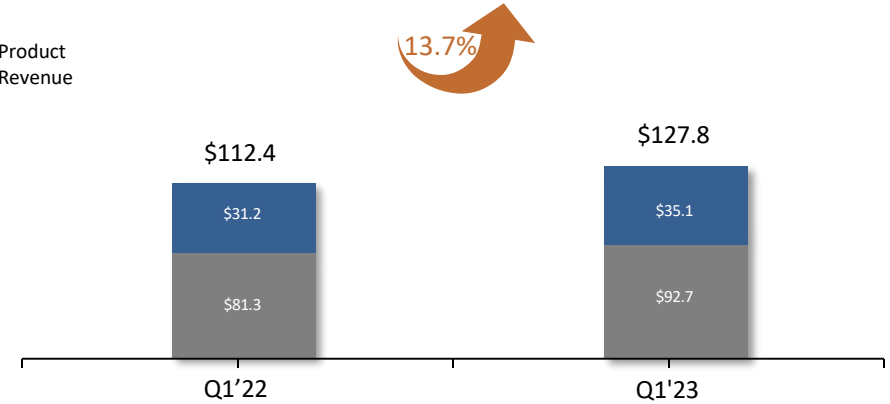
Total GMV

Marketplace GMV
Off-Platform GMV



Total Revenue

Service Revenue
Product Revenue



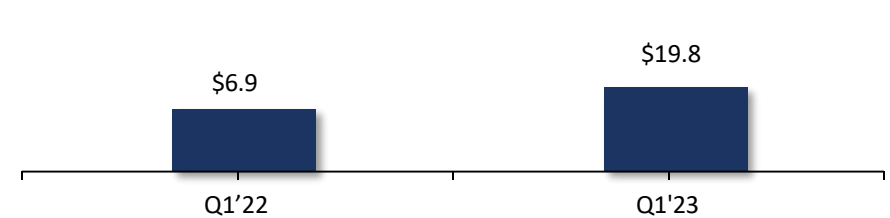
Gross Profit

75.3%



Adj. EBITDA

186.5%



%

Margin*:

15.0%

23.1%

6.1%

15.5%

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



Grow & Diversify Seller Base + SKUs

- Grow and diversify existing seller base
- As of 3/31/23, 3P seller GigaCloud Marketplace GMV represented 51.5% of total GigaCloud Marketplace GMV, underscoring the platform's growth and market recognition as a thriving 3P-seller-dominated marketplace
- Expand existing offerings and extend catalog



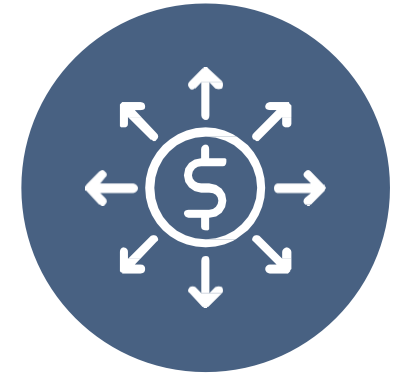
Grow Buyer Base & Engagement

- Attract new buyers to marketplace
- In LTM 3/31/23, 4,255 buyers generated \$553.5M of GigaCloud Marketplace GMV
- Continue to make investments to enhance brand awareness and improve product offerings to drive buyer stickiness to the platform



Expand Product Service Offerings

- Continue leveraging data analytics capabilities to develop new tools and services to drive incremental revenue opportunities
- Launched supply chain financing services in September 2020 to select qualified sellers
- Plan to roll out paid advertising tools that promote products based on search results



Inorganic Growth Opportunities

- Actively seeking for M&A opportunities that will enhance our distribution channels and logistics offerings
- Plans has been prepared to invest in R&D in areas such as IT, AI, and machine learning with a particular focus on the year 2023



THANK YOU

