PERFECT
(NYSE: PERF)

Company Presentation
Q3 2023

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Perfect's fiscal year end is December 31. References to "FY22" are to the fiscal year ended December 31, 2022. Other fiscal years and quarters are referred to in a corresponding manner. All references to dollars or "US$" in this Presentation are to United States dollars.

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Perfect Corp.
#1 Beauty & Fashion Tech SaaS Company

Vision   Transform the World with Digital Tech Innovations

Mission   Solve consumer pain points to democratize the shopping experience for consumers and brands with AR & AI and digital technologies

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Perfect's Path To Becoming the Leader in Beauty & Fashion AR & AI

Over the past 8 years, we have partnered with over **625 brands**[1] and grown to offer over **678K SKUs**[1] for try-on at our Beauty, Skincare, and Fashion SaaS platform.

Number of Brands

Founded and spun-off from CyberLink

Refined beauty AR tech

Rolled out industry leading SaaS platform

Introduced beauty tech AI

Partnered with global tech platforms

Expanded to new verticals of fashion accessories u("Fashion Tech")

Serving omnichannel & extending leadership in beauty AR & AI tech

Listed at NYSE and solidified market leadership through deepened partnership with brands & broaden VTO applications

Expand into AI Skincare & leverage generative AI to create AI-related products

Perfect Corp. #1 Beauty & Fashion Tech SaaS Company

Founded in 2015 and listed on Oct 31, 2022 (NYSE: PERF)

Headquartered in Taipei and Global Offices in New York, Paris, Tokyo, and Shanghai

Operational in **12** Cities in over **10** Countries

Beauty and Fashion SaaS solutions deployed by **625+** brands across **80** countries

Total of **300+** employees, including over **130+** R&D staff

London, UK
Paris, FR
Dusseldorf, DE
New York, US
San Jose, US
Shanghai, CN
Tokyo, JP
Hangzhou, CN
Seoul, KR
Taipei, TW
New Delhi, IN
Brazil

Headquarters
Subsidiary
Office

Perfect's Leadership Team

Seasoned management team working together for over a decade

Alice Chang
Founder, CEO

- CEO of CyberLink from 1997 to 2015 before founding Perfect.

- Forbes article recently named Alice "the Godmother of virtual makeup"[1]

Louis Chen
EVP and CSO

- 20+ years with Perfect and CyberLink leading global strategic relationship alliances and corporate development

Johnny Tseng
SVP and CTO

- 25+ years with Perfect and CyberLink.

- Recipient of the Individual Achievement Award for technology advancement by Taiwan's Ministry of Economic Affairs

Wayne Liu
President of Americas & CGO

- 13+ years with Perfect and CyberLink.

- Extensive experience in engineering management positions with Intel, Broadcom, and NVIDIA

Iris Chen
VP of Finance & Accounting

- 22+ years experience as Head of Corporate Finance & Accounting at CyberLink before joining Perfect

Perfect's Hybrid Business Model

Perfect has an unique business model that allows us to utilize the identical technology to serve both enterprises (2B) & consumers (2C). By testing products in retail market, we gather valuable feedbacks to optimize product offerings and provide insights for brand clients.

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2B

AI/AR Core Engine

2C

- SaaS model with global brands
- AR & AI beauty solutions for makeup, skincare, hair products and fashion tech
- Omni-channel deployment
- Revenue generated through annual recurring subscriptions

- **5 beauty mobile apps with freemium model**
- AR & AI beauty solutions for enhancing selfies, short videos, true-to-life virtual try-ons and dermatologist-verified skin diagnostics
- Highly scalable business with data-driven insights
- At early stages of monetization through subscriptions and advertising

Evolution of Beauty Industry

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Before 2015: Beauty 1.0 → Physical Trials (Try Before You Buy)

Brands make enormous efforts to encourage trials

In the world of beauty,

More Product Trials

=

More Sales

Obstacles Preventing Users from more Physical Trials

✖ Physical Trials are Time Consuming

✖ Sanitary Concerns

✖ Tester Availability

2015-2021 – Beauty 2.0 → AR Technology for True-to-Life Trials

More Trials = More Sales

Try Before You Buy
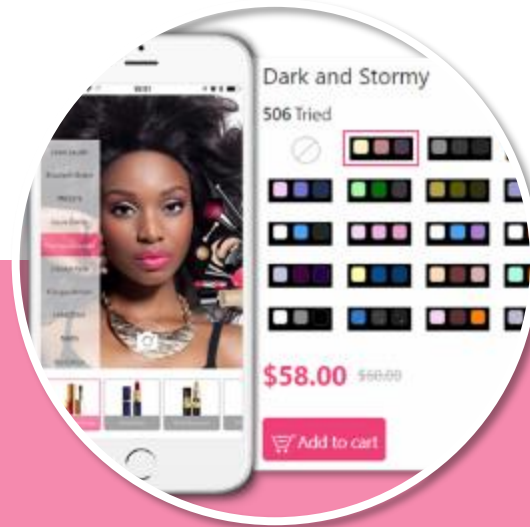
Try Unlimited SKUs

Increase Engagement & Sales

AI/AR Technologies & Product Offerings

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Four Pillars of Perfect's AI Technology will Fuel Our Growth Going Forward

Beauty Tech
Plethora of AI-Powered Beauty Solutions

Skin Tech
Cutting-Edge AI Skin analysis & Simulation Technologies

Fashion Tech
Pioneering Watch/Jewelry VTO Technologies

Generative AI
New Generative AI Innovations
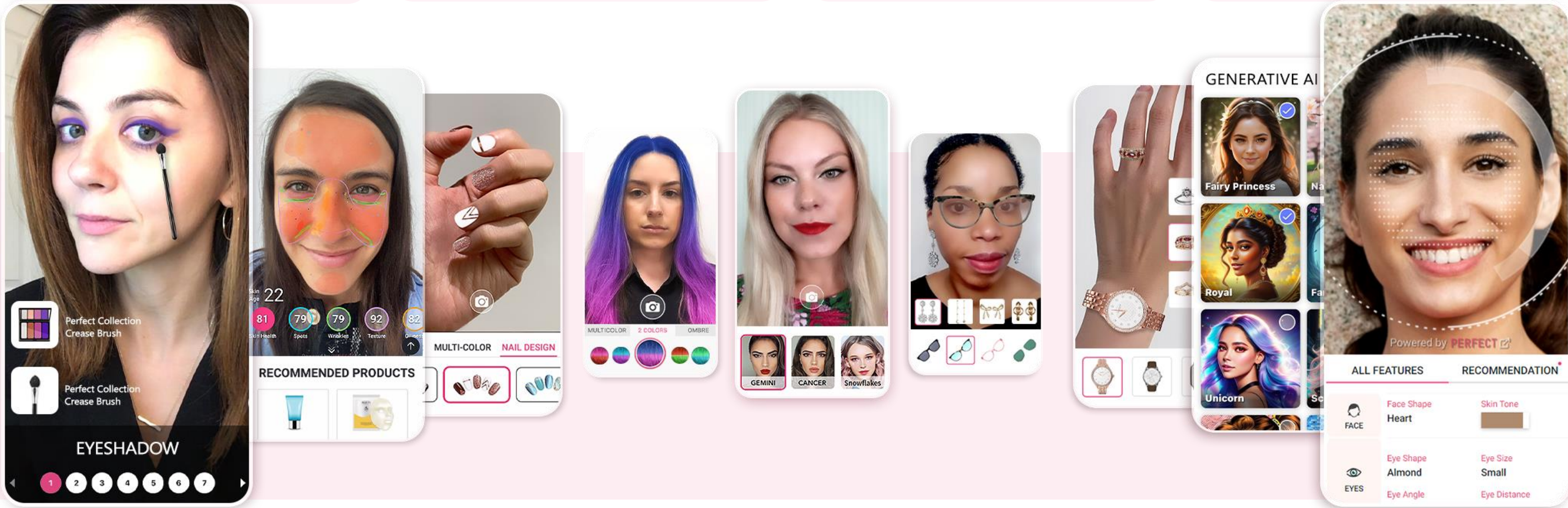
Perfect Offers a Complete Line of Beauty Tech SaaS Solutions

Our goal is to aid beauty companies in their Digital Transformations and optimize their Direct-to-Consumer (DTC) capabilities

AR & AI
Makeup

AI 3D facial modeling & true-to-life virtual try-ons with authentic SKUs

AR & AI
Hair Color/Style

Hair type detection and real-time hair color effects

AR
Nail VTO

AgileHand provides live preview of nail products on hands, without messy clean-up.

AR
Video Consultation
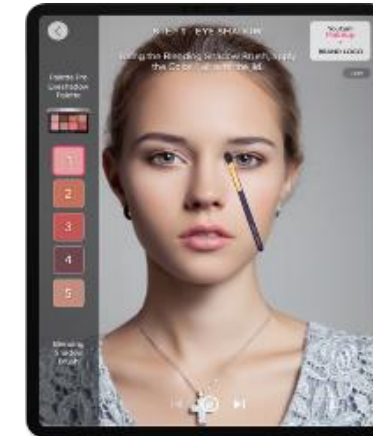
Real-time interaction with consumers with EC and virtual try-on capabilities

AI
Face Attributes

Scan users' unique features for personalized recommendations

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Data Empowers Our Advanced Beauty Tech and Innovates Product R&D

3,900-point
Real–time facial 3D live meshes backed by visual computing

6
Texture mappings to deliver highly-realistic textures, material reflections, and lighting simulations

~90k
Skin tones supported

10+
Makeup textures

10m
Training data sets across all ethnicities for AI deep learning for facial expressions analysis
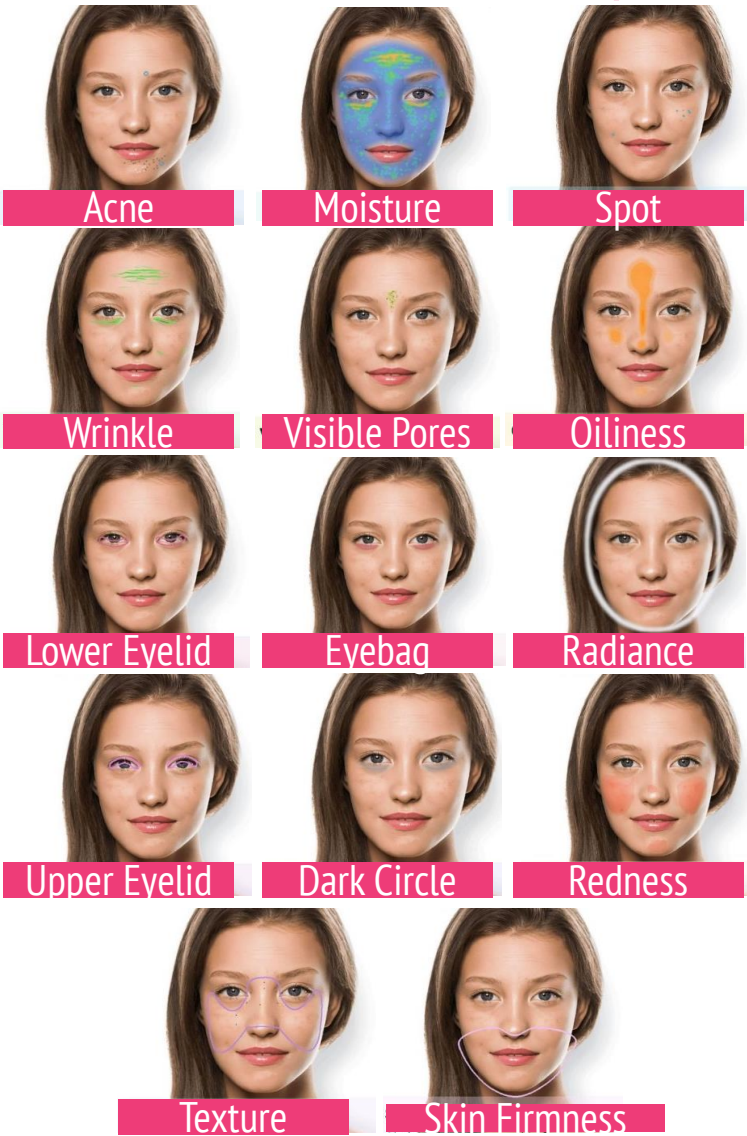
51
Patents in beauty tech domain[1]

Color:
⚪ #190504

Color:
⚪ #997BB6

Color:
⚪ #E72C44

Perfect Has Expanded into Enhanced AI Skincare Analysis using SkinTech

The AI skin diagnostic tool utilizes deep learning technology to provide users with real-time skincare analysis by simply using an iPad/iPhone. This solution has achieved reliable test results for dermatology practices.

Skin Report & Product Recommendation
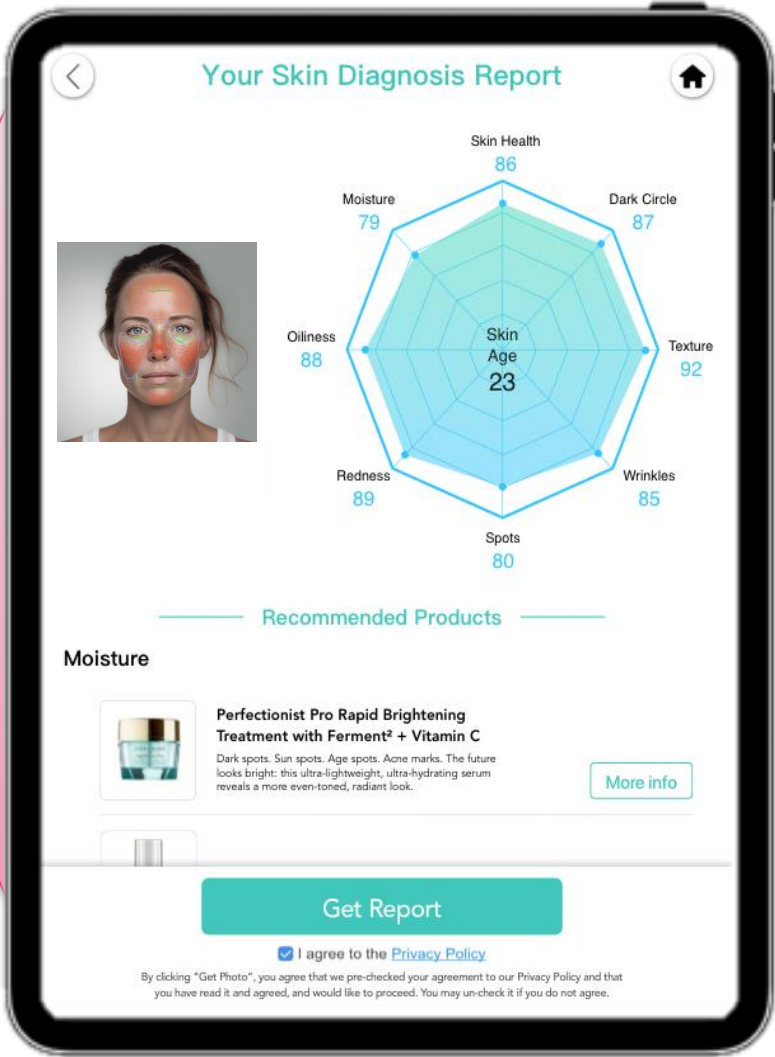
14 Skin Concerns Analysis

Acne · Moisture · Spot · Wrinkle · Visible Pores · Oiliness · Lower Eyelid · Eyebag · Radiance · Upper Eyelid · Dark Circle · Redness · Texture · Skin Firmness

70k+
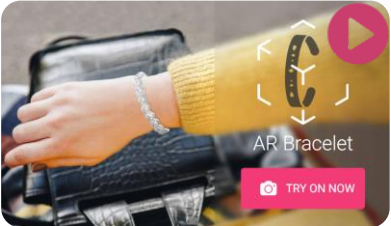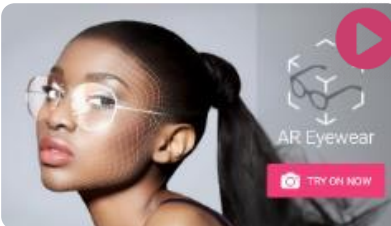Medical grade images used to build skin analysis technology

14
Types of supported skin conditions detected

95%
Test-retest reliability rate

Fashion Tech SaaS Solutions for Jewelleries and Watches

This allows us to cross sell within major beauty groups, broaden the application of our technologies, and diversify our customer base.

Earrings		Our proprietary AR earring 3D model supports high resolution textures, material reflections, and simulated motion physics with rigid body dynamics	Lively try-on scan here
Rings		With our AgileHand™ technology, AR ring renderings fit perfectly on the user's fingers, and tissue compression emulation technology simulating the repositioning of tissue around the AR ring	Lively try-on scan here
Watches		Enhancing our existing AI with physically based rendering, we are able to generate AR watch renderings that fit perfectly on bare wrists, with full hand-movement support	Lively try-on scan here
Bracelet		Powered by our AgileHand™ Technology, and state-of-the-art AI deep learning algorithms, our AR bracelet renderings fit perfectly on bare wrists, with full hand-movement support, and without the need for external positioning markers	Lively try-on scan here
Eyewear		Using AI-powered automatic pupillary distance detection also used in the optical business, we can ensure the most accurate frame size fitting	Lively try-on scan here

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Perfect's AgileHand® Technology

AgileHand® supports highly realistic Physically Based Rendering (PBR) and movable dials, chronograph or even tourbillon

Maker-Free Virtual Try-On Experience

Industry leading AI detection and tracking algorithms optimized for real-time mobile and web experiences without any marker.

Omnichannel Solutions

Seamless support across iOS and Android devices, as well all major browsers on MacOS and Windows platforms.

Super Fast Rendering Speed

Auto AI Wrist Size Detection and Tissue Compression Emulation giving shoppers the most accurate preview.

Ultra Realistic PBR Rendering

Realistic physically based rendering with material reflections, advanced light scattering and detailed surface textures deliver unparalleled experiences.

Ultra-precise real-time 3D hand tracking and AR rendering to provide immersive experiences.

In Addition to Our Comprehensive Enterprise SaaS Solutions, Perfect Also Has a Suite of Mobile App That Complement Its Core SaaS Business

YouCam Makeup

YouCam Perfect

YouCam Video

YouCam Enhance
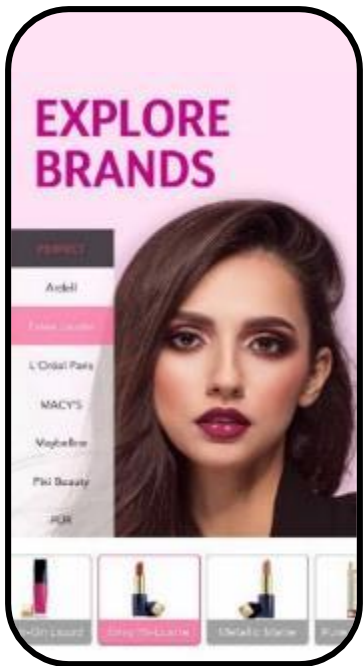
YouCam Nails

YouCam AI Pro

#1 AR makeover app

Powerful selfie camera editor

#1 makeup video app
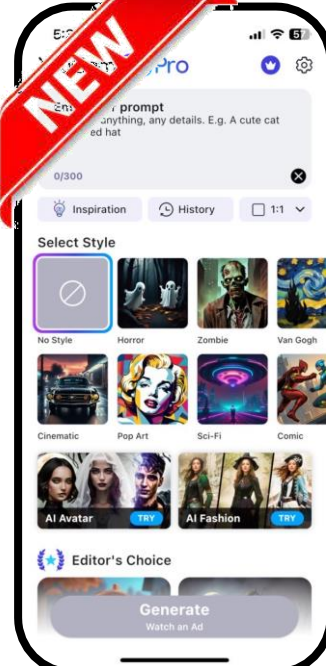
Dynamic image enhancer

Powerful nail design app

Powerful AI Art Generator

1 Leverage the same core technologies that appeal to younger consumers (Millennials/Gen Z)

2 Gather valuable beauty trend insights from 17.8m Monthly Active Users[1]

3 Broaden the application of Perfect technologies to diverse revenue and client base

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Financial Highlights & Key Metrics

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Strong Organic Growth and Highly Scalable Cost Structure

($ in USD millions)

Revenue

26%
FY20–22 CAGR

FY20	30
FY21	41
FY22	47

9M22	36
9M23	39

13%
YoY growth

3Q'22	13
3Q'23	15

Gross Profit & Margin

87%   86%   85%

86%
FY20–22 Avg GP %

86%   80%

85%   81%

FY20	26
FY21	35
FY22	40

9M22	31
9M23	32

3Q'22	11
3Q'23	12
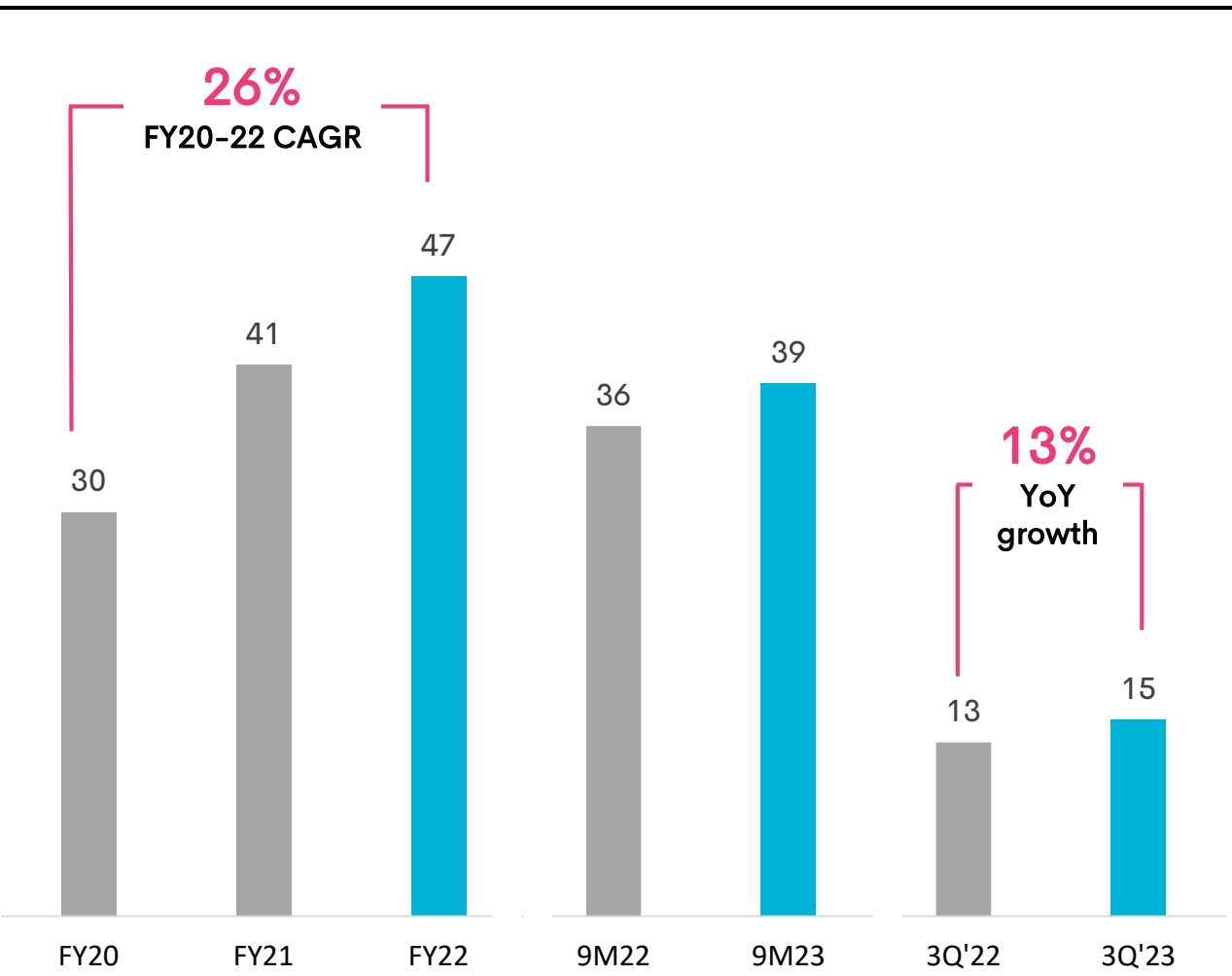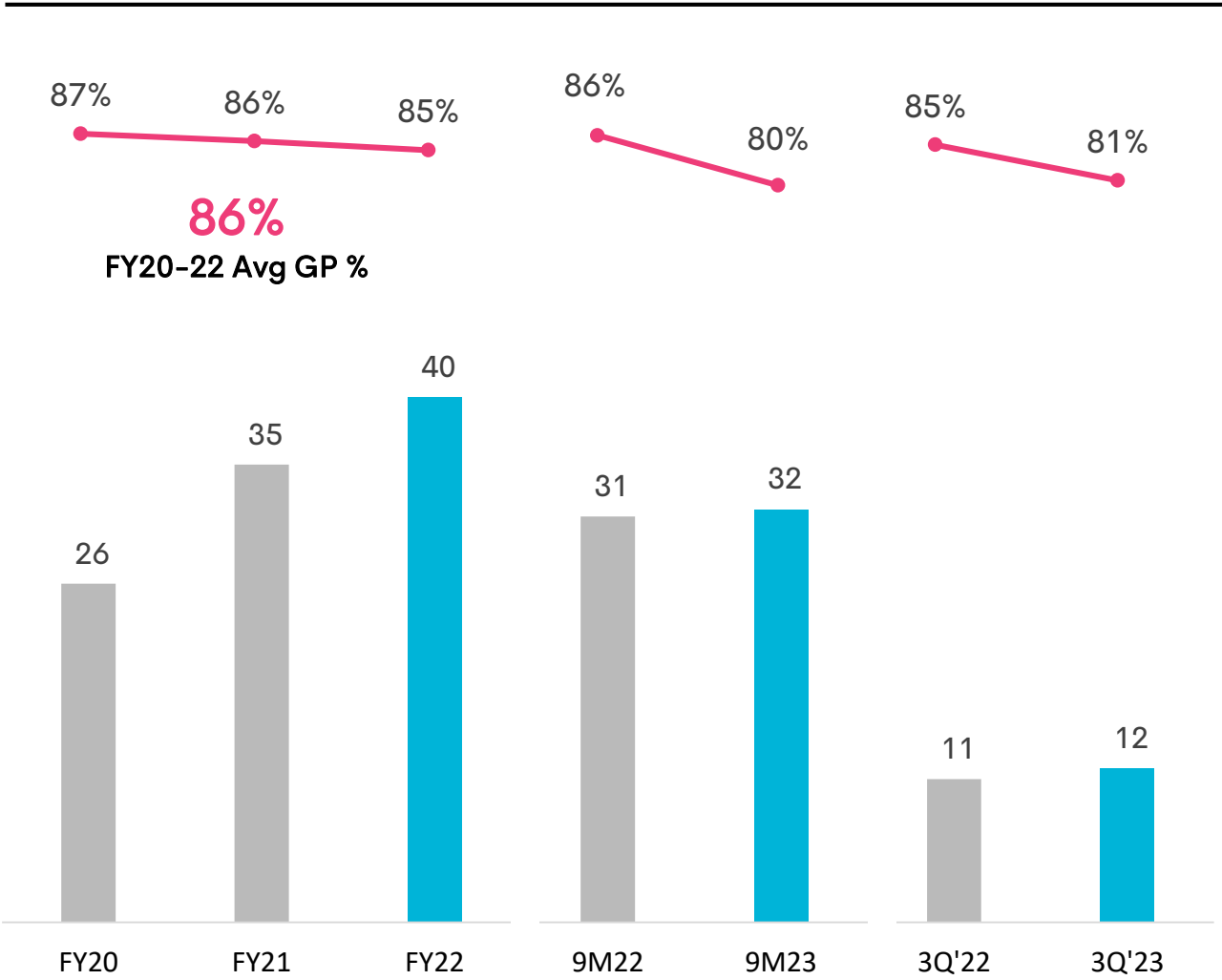
Gross Profit
Gross Margin (%)

Source: Company data and estimates.

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Solid & Stable Growth in Profitability

($ in USD millions)
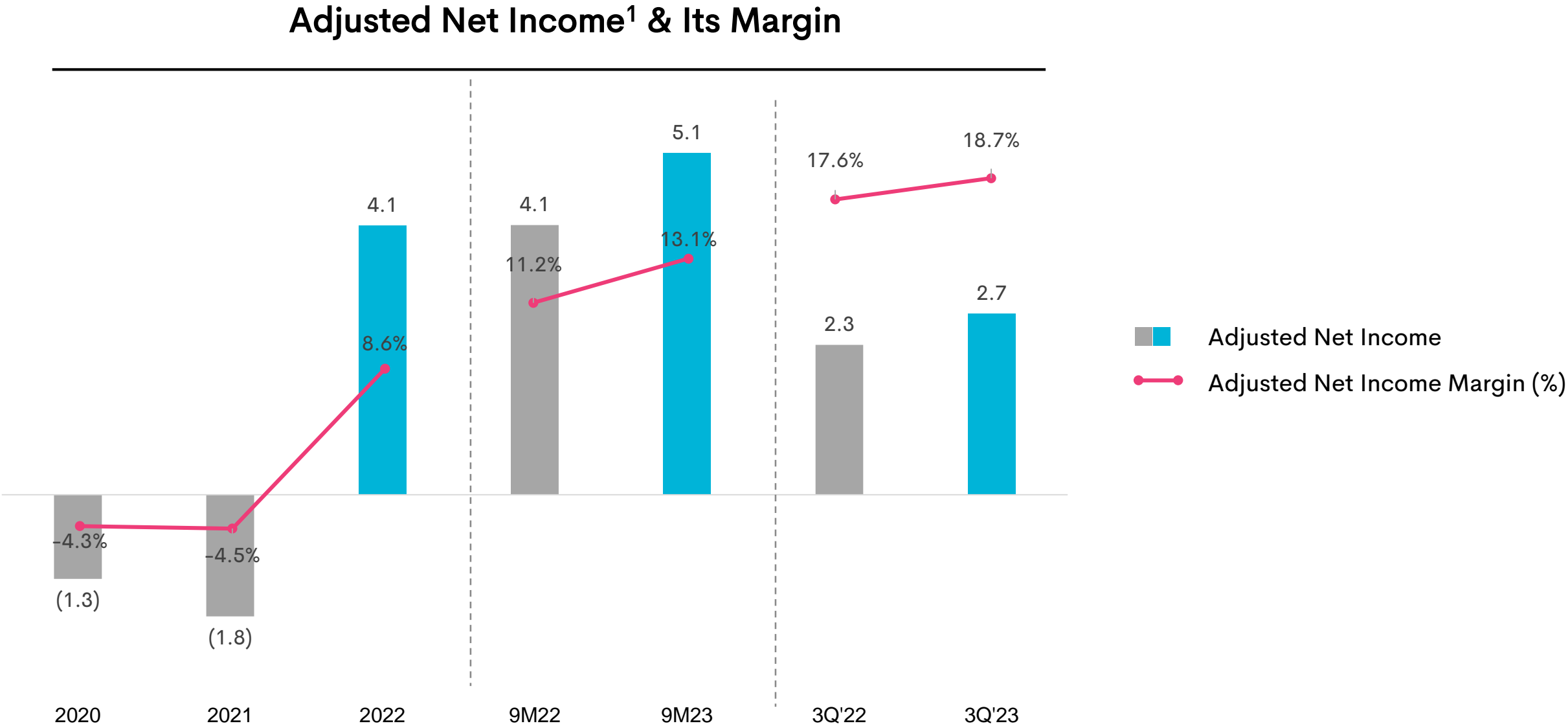
Adjusted Net Income[1] & Its Margin

Legend:
- Adjusted Net Income
- Adjusted Net Income Margin (%)

Data labels:
- 2020: (1.3), -4.3%
- 2021: (1.8), -4.5%
- 2022: 4.1, 8.6%
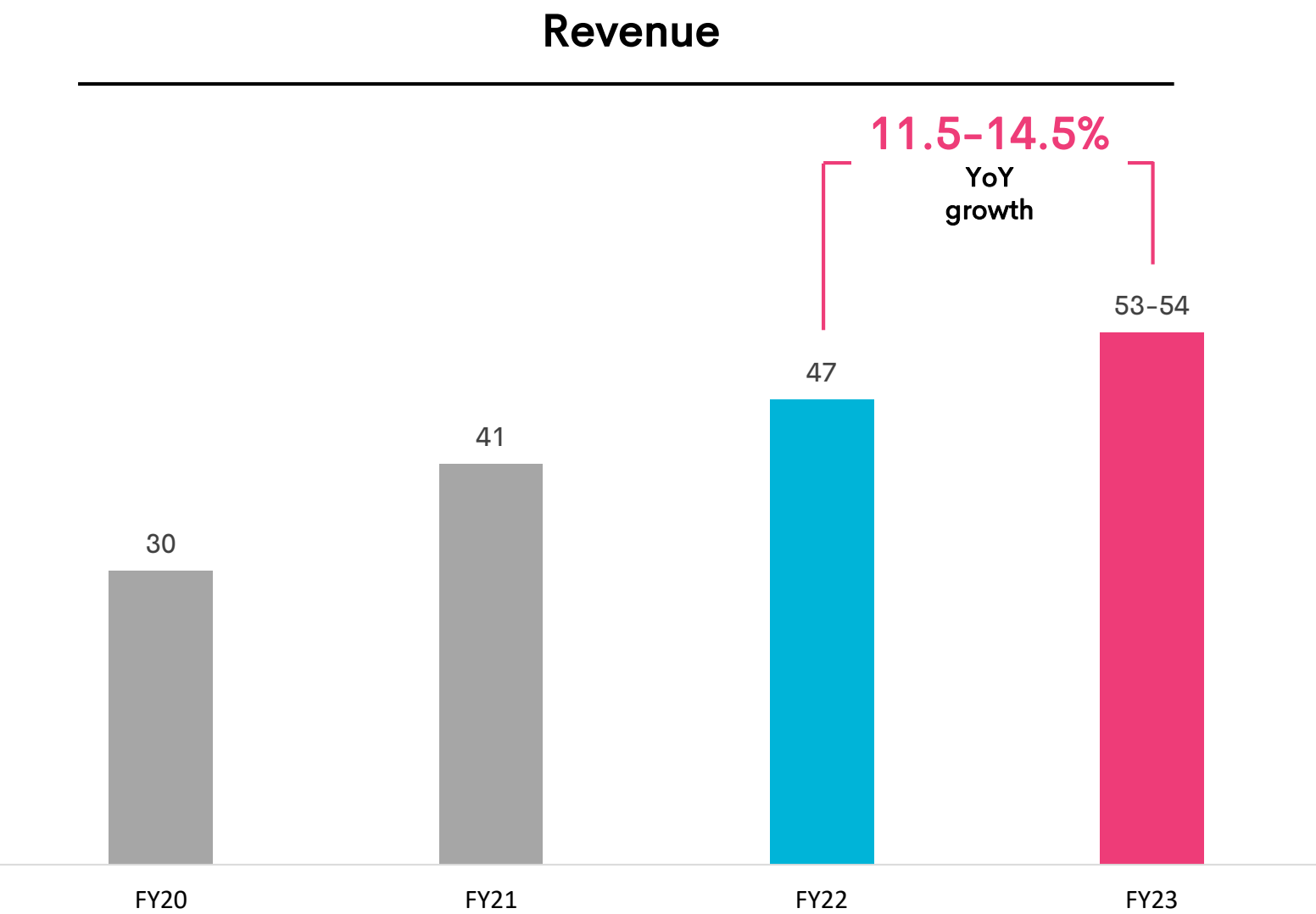- 9M22: 4.1, 11.2%
- 9M23: 5.1, 13.1%
- 3Q'22: 2.3, 17.6%
- 3Q'23: 2.7, 18.7%

[1] Adjustments include one-time and non-recurring items as well as non-cash items such as one-off transaction costs, non-cash equity-based compensation, non-cash valuation (gain)/loss of financial liabilities, and FX (gain)/loss.

Business Outlook[1]

($ in USD millions)

Revenue

11.5-14.5%

YoY growth

30	41	47	53-54
FY20	FY21	FY22	FY23

Taking into account the recent advancements of products powered by AI and AR technology, the growing demand for our enterprise SaaS solutions, and the strong momentum in mobile beauty app subscriptions, we reiterates 2023 full-year revenue outlook:

- Our total revenue year-over-year growth rate is expected to range from 11.5% to 14.5% compared to 2022.

Source: Company data and estimates.
[1] Please Note that this forecast is based on the Company's current assessment of the market and operational conditions, and that these factors are subject to change.
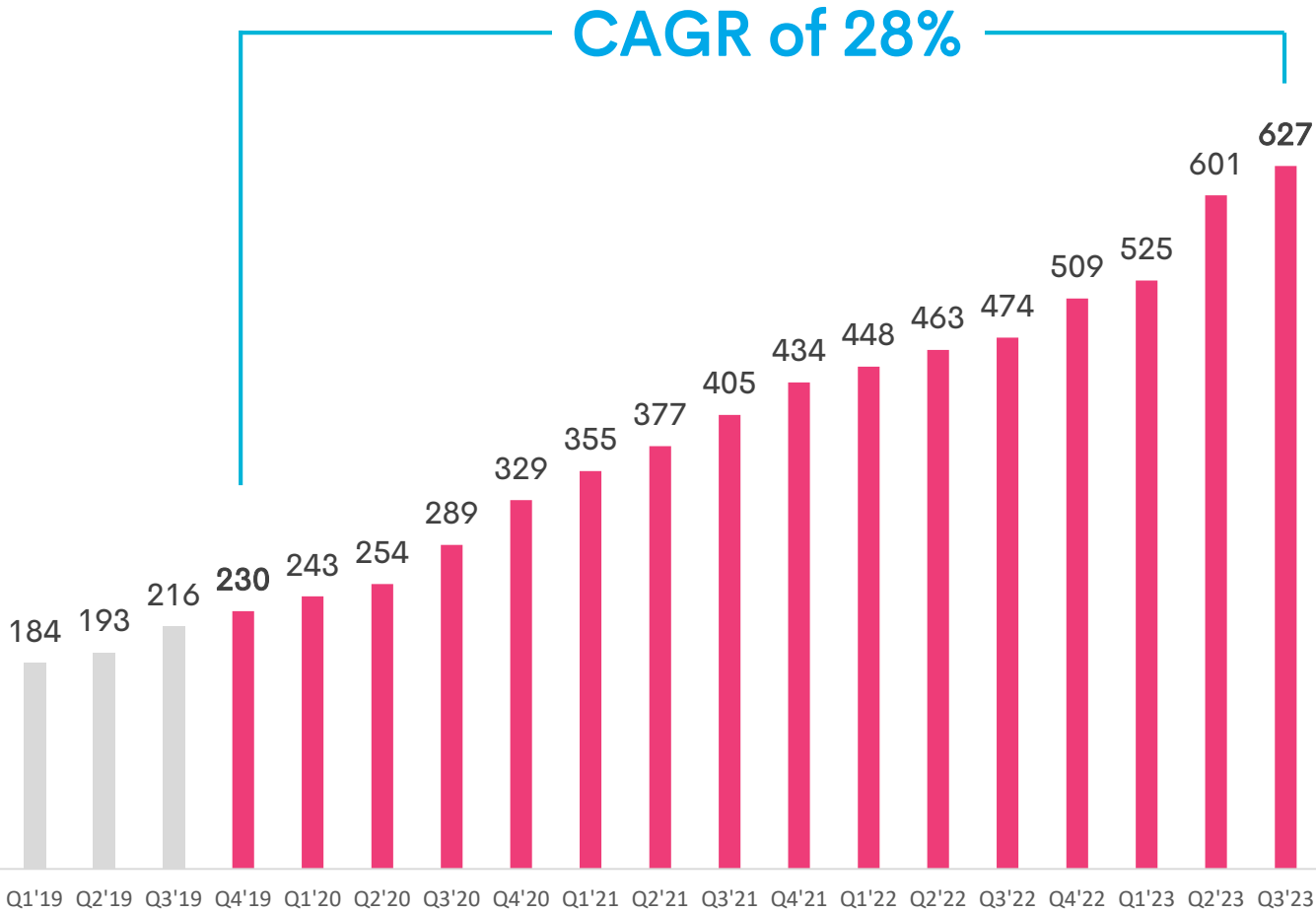
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Perfect's Income Statement

PERFECT CORP. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2023
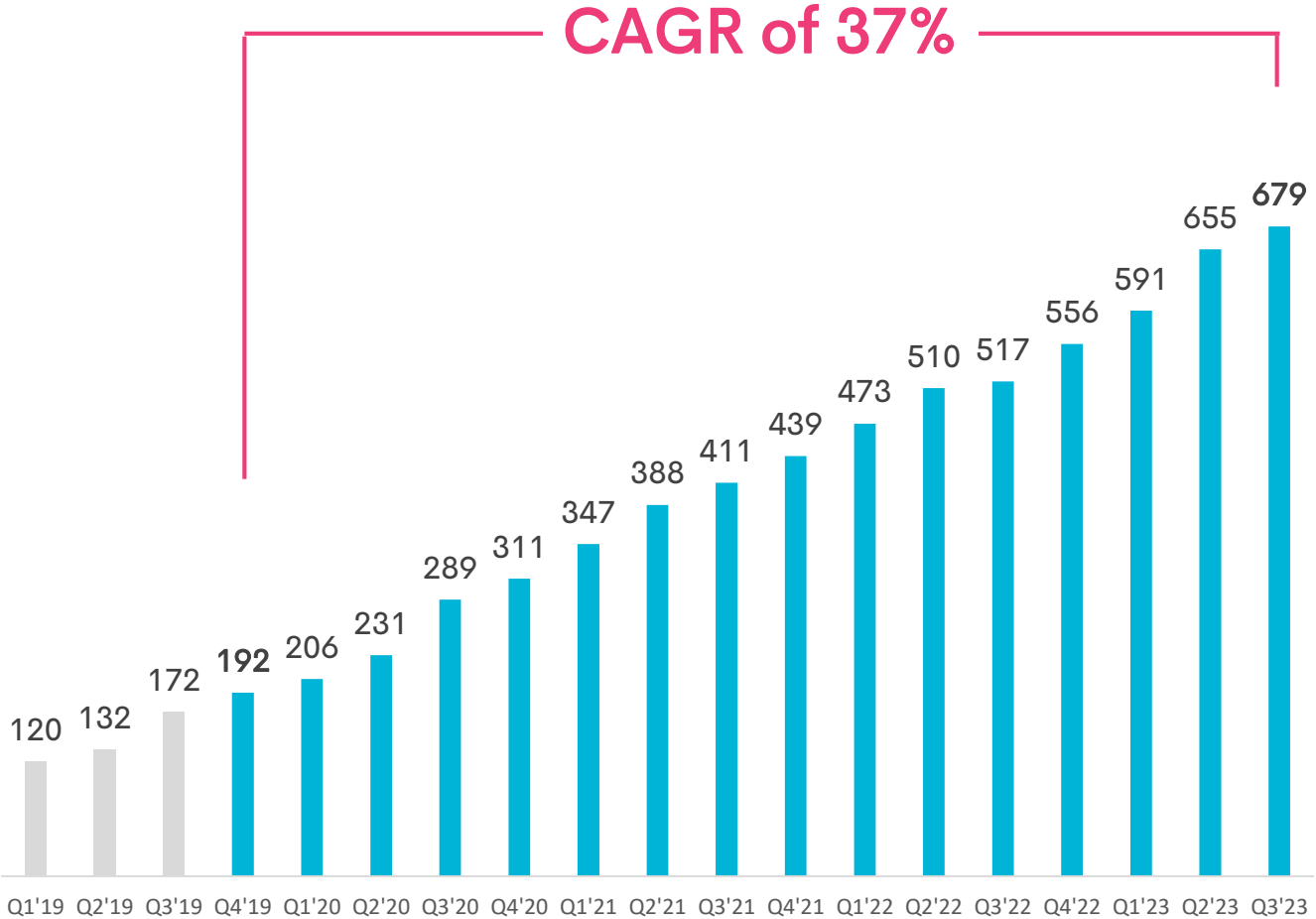**(Expressed in thousands of United States dollars)**

Items	Three months ended September 30		Nine months ended September 30	
	2022	**2023**	**2022**	**2023**
	Amount	**Amount**	**Amount**	**Amount**
Revenue	$ 12,850	$ 14,549	$ 36,229	$ 39,381
Cost of sales and services	(1,886)	(2,729)	(5,168)	(7,753)
Gross profit	10,964	11,820	31,061	31,628
Operating expenses				
Sales and marketing expenses	(6,141)	(6,444)	(18,228)	(19,029)
General and administrative expenses	(2,477)	(3,172)	(7,177)	(8,599)
Research and development expenses	(2,552)	(3,035)	(7,910)	(8,431)
Total operating expenses	(11,170)	(12,651)	(33,315)	(36,059)
Operating loss	(206)	(831)	(2,254)	(4,431)
Non-operating income and expenses				
Interest income	442	2,335	620	6,944
Other income	1	11	12	18
Other gains and losses	1,360	2,034	30,337	1,575
Finance costs	(1)	(5)	(6)	(10)
Total non-operating income and expenses	1,802	4,375	30,963	8,527
Income before income tax	1,596	3,544	28,709	4,096
Income tax expense	(40)	(17)	(201)	(80)
Net income	$ 1,556	$ 3,527	$ 28,508	$ 4,016

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Perfect's Scalable SaaS Business Model with Continued Expansion in Brands and SKUs

Number of Brands by Quarter

CAGR of 28%

Quarter	Value
Q1'19	184
Q2'19	193
Q3'19	216
Q4'19	230
Q1'20	243
Q2'20	254
Q3'20	289
Q4'20	329
Q1'21	355
Q2'21	377
Q3'21	405
Q4'21	434
Q1'22	448
Q2'22	463
Q3'22	474
Q4'22	509
Q1'23	525
Q2'23	601
Q3'23	627

SKUs by Quarter

CAGR of 37%

| Quarter	Value
Q1'19	120
Q2'19	132
Q3'19	172
Q4'19	192
Q1'20	206
Q2'20	231
Q3'20	289
Q4'20	311
Q1'21	347
Q2'21	388
Q3'21	411
Q4'21	439
Q1'22	473
Q2'22	510
Q3'22	517
Q4'22	556
Q1'23	591
Q2'23	655
Q3'23	679

Perfect's Mobile Beauty App Business Has Been Growing Strong

Active subscribers increased by 8% from the prior quarter and over 63% from the same period last year, reaching a historical high of over **835,000** active subscribers[1].
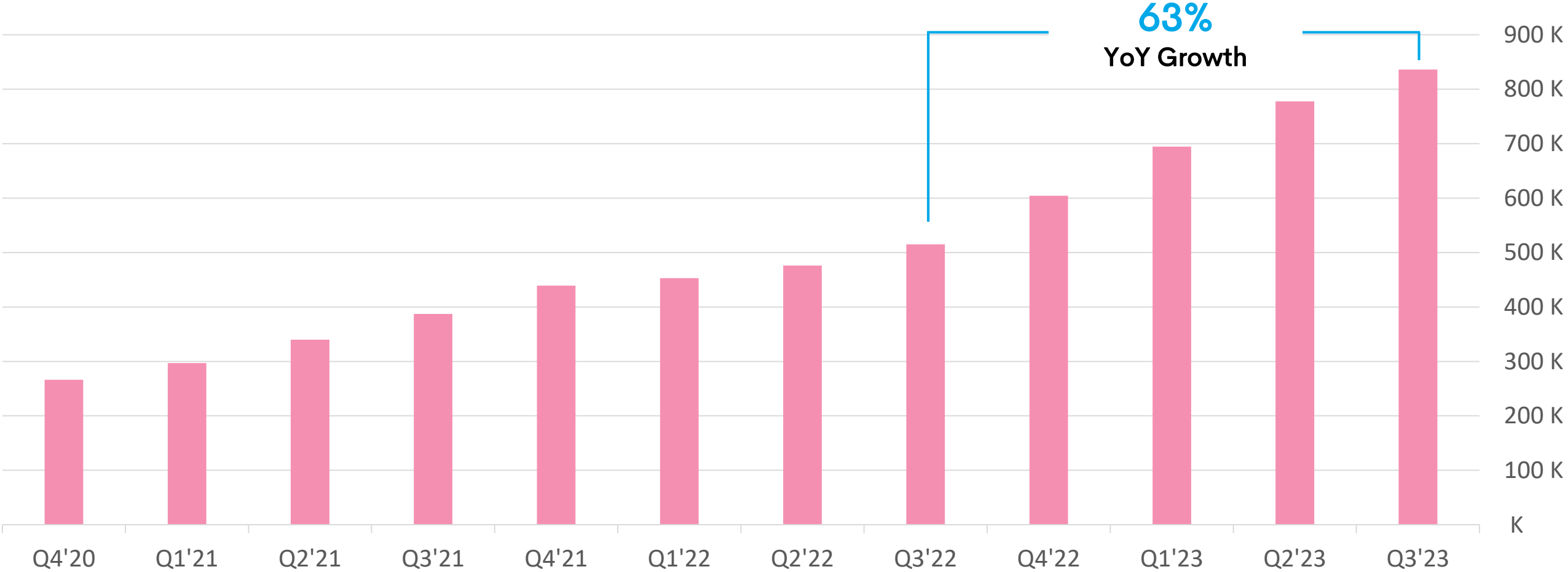
*[1] As of September 30, 2023.*

Multiple Avenues To Drive Growth

We see significant growth opportunities from existing brands, new brands, new verticals, and synergistic M&A, as well as from our expansion into new geographies and new channels.

Deepen Penetration Within Top 20 Beauty Groups

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- ✓ Cross-sell to sister brands in the Groups
- ✓ Upsell more modules and functions to brands
- ✓ Enable more SKUs in all categories
- ✓ Upscale to more countries within a brand

Expand Reach In Long Tail Of Indie Beauty Brands

Brand Size

No. of Brands
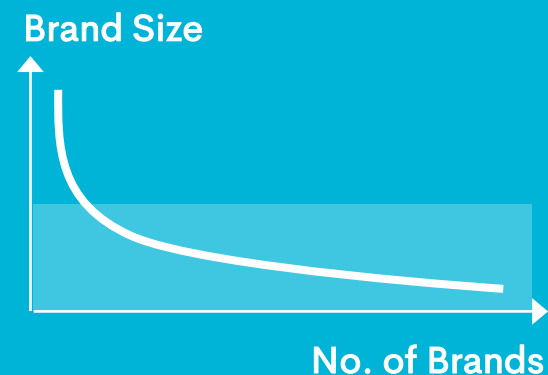
- ✓ Significant growth runway as over 99.8% of indie beauty brands/merchants remain untapped
- ✓ Differentiated value proposition to form potential platform partnerships

Expand To New Verticals Beyond Beauty

Video conferencing

Dental / orthodontics

Plastic surgery

Clothes

Watches

Accessories

- ✓ Expand product portfolio into other verticals
  - – Fashion accessories
  - – Clothing
  - – Beyond fashion

Pursue Synergistic M&A Selectively

- ✓ Speed up brand relationships, vertical and geographies expansion
- ✓ Accelerate revenue growth and margins

Generative AI

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Generative AI Power Our Business Growth In Different Verticals

With Generative AI technologies, we can unlock a variety of new business opportunities and make the impossible possible[1].

AI Style

Generative AI unleashes limitless creativity, transforming photos into artistic masterpieces

AI Avatar: Digital Twin

Generative AI generates endless digital versions of you, expanding the realm of creative possibilities

AI Hairstyles

Generative AI blends the user's natural hair, skin tone, and facial features for a harmonious look

[1] *Please note that results generated by generative AI may vary, depending on the training data used and other factors.*

Generative AI Style[2]

Render a single image into multiple artistic style images

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AI Avatar[2]

Generate the most imaginative photos of yourself and your pet
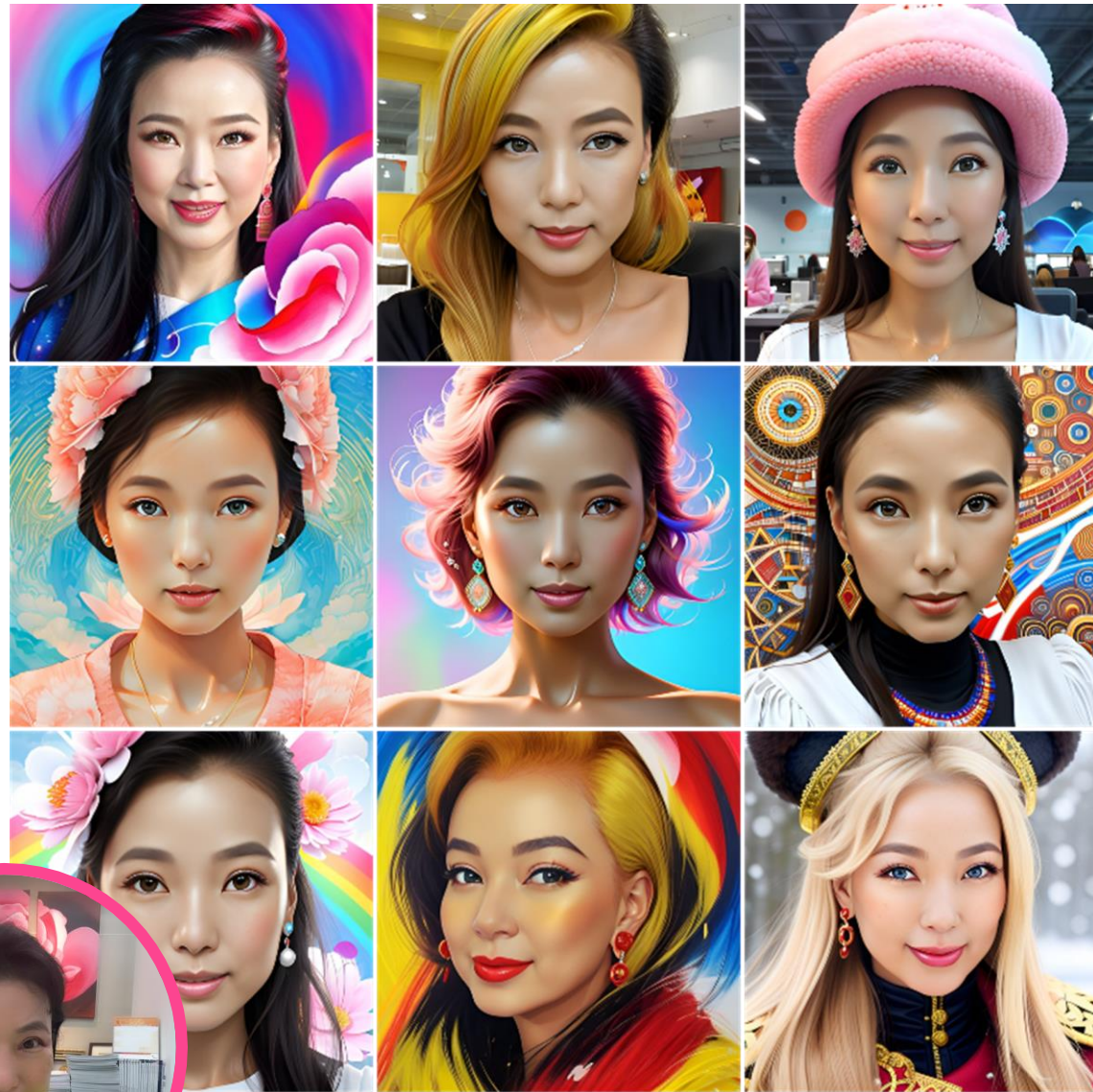
AI uses multiple images to generate multiple avatar renderings in a short period of time.

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Generative AI Virtual Hairstyle Try-On[2]

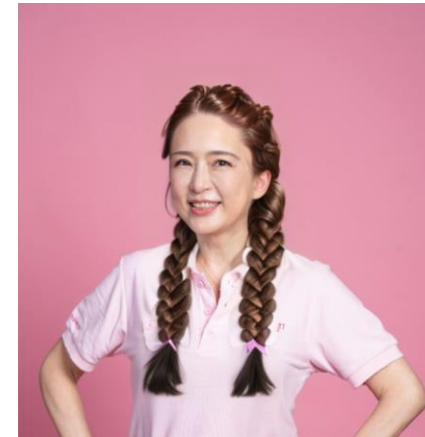## A Breakthrough in AI Tech, and A Growing Phenomenon in Consumer Trend

Original

Messy Top Bun

Mermaid Waves

French Braid

Bobcut Tail Wavy

Curtain Bangs

Pixie

Long Wavy

Afro

[1] Please note that results generated by generative AI may vary, depending on the training data used and other factors.
[2] Available in YouCam Makeup.

Key Partnership

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Perfect Forms Strategic Partnerships With World Class Tech Giants

This creates truly omnichannel support for our clients.

Global Tech Giants

Asian Tech Giants

#1 Search Engine

#1 Video Platform

#1 Social Network

One of the Most-used Camera Apps

#1 Mobile E-commerce Platform
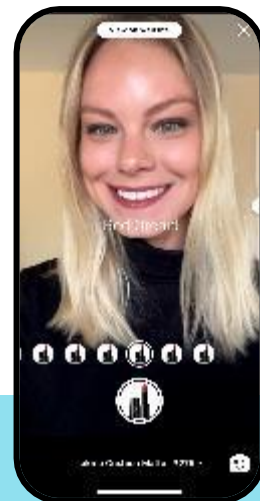
#1 Social & Digital Payment Platform
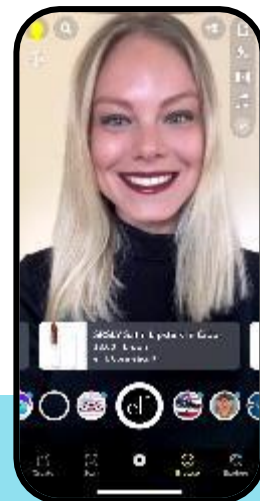
#1 Video Social Platform

Virtual try-ons through organic search results

Virtual try-ons through brands' YouTube videos

Virtual try-ons through brands' Instagram shops

Virtual try-ons on Snapchat brand profile

200+ brands using AR on Taobao and Tmall; 6,000 SKUs available for users to try

WeChat Mini Program covering AI shade finder & skincare, AR hair color & eye color, make-up virtual try-on, and brow virtual try-on

Brands can subscribe to the service and expand their AR offerings from Perfect Console with one click

Perfect's 360° Beauty Tech Solutions Support Optimized Omnichannel Strategies

Whether online or offline, we are where our clients need us.

Physical Stores

E-commerce

Shoppertainment

Social Media

360° Approach
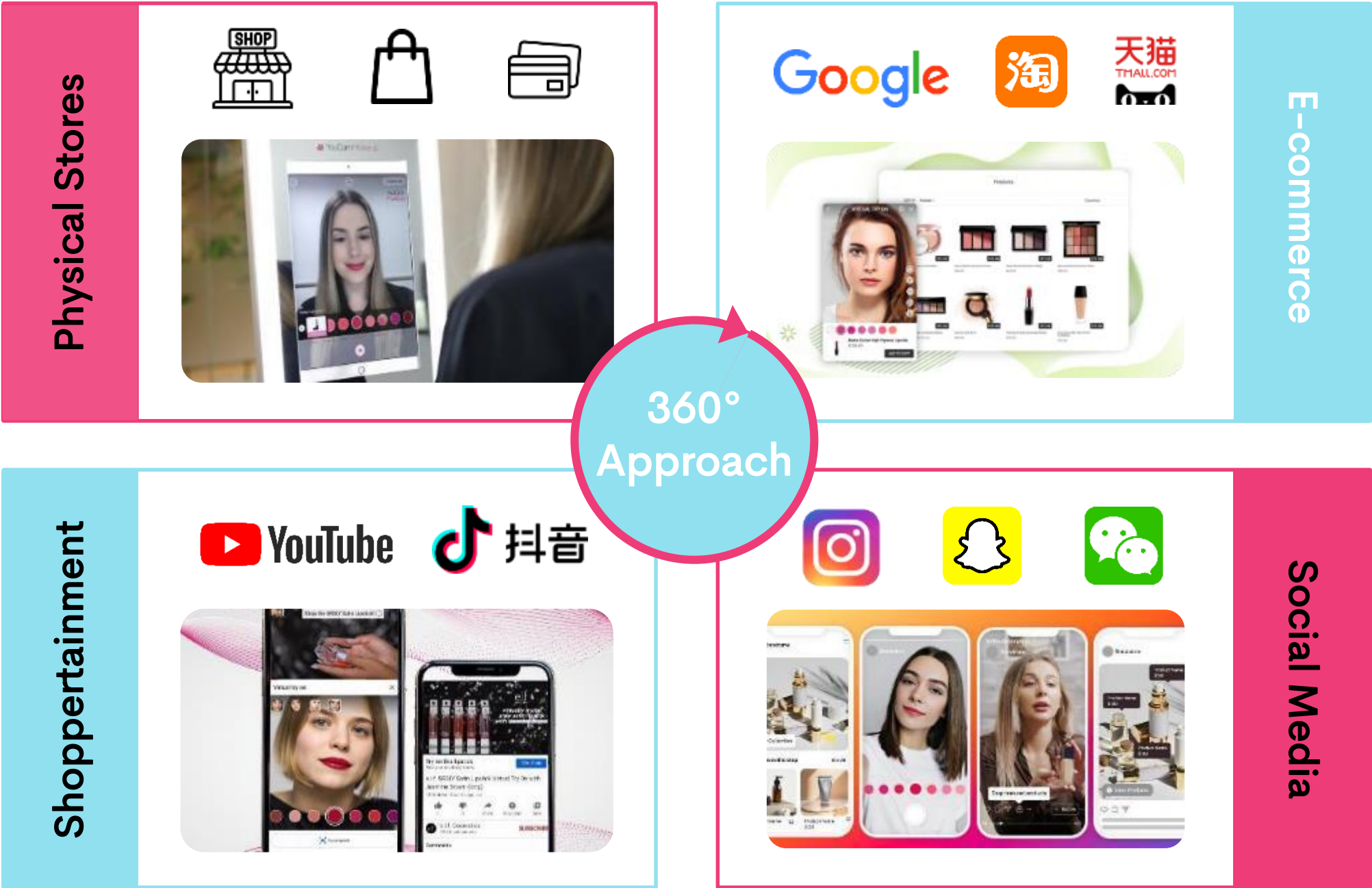
Perfect's Proven Track Record in Supporting Client Success

We help drive brands' sales, conversion, and customer engagement.

Brand	Perfect Solution Used	ROI Improvement	Customer Testimonials
ESTĒE LAUDER COMPANIES	Live AR Training for Beauty Advisors AR Makeup Try-on (in stores & online)	**+250%** purchase conversion **17,000+** Beauty advisors trained	*"Now this [high -touch] experience has been enabled by high tech AI and AR to create a more engaging, more personalized journey for our customers. While we have always focused on innovating our products and services, with partners like Perfect Corp., we can now also innovate and elevate the consumer experience."*
NARS	AI Shade Finder Makeup Try-On	**+300%** purchase conversion **10%+** average order size	*"Perfect Corp. is constantly innovating to make sure we can meet the needs of our consumers across all the different markets. When we identify a new opportunity, Perfect Corp. is quick to respond, and they can scale to meet any need."*
CLINIQUE	AR Makeup Try-on AI Shade Finder	**+30%** increase in cart size **+500%** increase in website visit dwell time	*"It's proven to be an excellent way to facilitate and convert sales. The feedback has been very positive. Customers love its accuracy, and they also find the virtual try-on experience to be fun, which is also important."*
M·A·C	AR Makeup Try-on AI Shade Finder	**+200%** increase in customer engagement	*"We've always seen strong customer engagement with our virtual try-on experiences—online and in our stores. We've also found that strong customer engagement leads to significantly higher rates of conversion. Engaged customers purchase more."*
Sally Hansen	AR Makeup (Nail) Try-on	**+120%** increase in purchase intent **+300%** increase in # of shades viewed	*"The Perfect Corp. technology is mind-blowing...This [tech] lets people really evaluate colors, looking back and forth, in a different light, and while moving their fingers around just like in real life."*

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For more client success stories, please visit: *https://www.perfectcorp.com/business/successstory/list.*

Perfect's ESG Commitment

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Perfect Is Green Tech & an ESG Facilitator

Consumers' growing awareness of sustainability will further accelerate brands' adoption of AR & AI, creating stronger tailwinds for Perfect.

Environmental Sustainability for Beauty

Reduce beauty sampling / tester

Prevent overconsumption

Lower product returns

Everyone can benefit from Beauty AR & AI Technology

Industry — Support the industry in furthering sustainable beauty and eco-friendly practices

**Brands** — Help brands achieve and increase awareness of their ESG goals

Consumers — Enable consumers to support environmentally conscious brands and improve their beauty try-on experiences

BIG AWARDS FOR BUSINESS 2021

Perfect AR and AI-Powered VTO Technology was named 2021 Green Product of the Year [1]

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ESG Story of KAO

How Kao leveraged Perfect's beauty tech to achieve amazing ESG results!
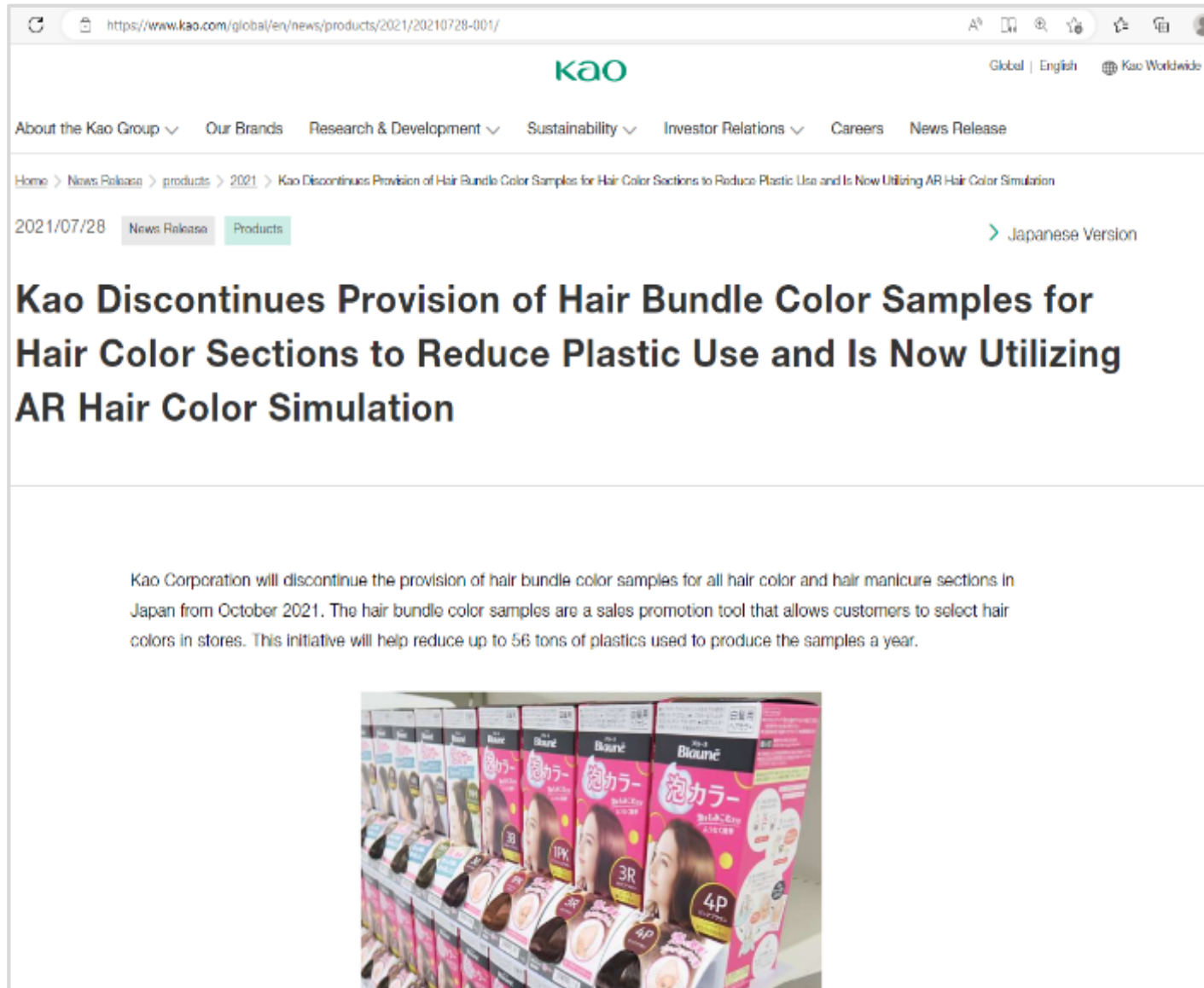
Perfect has helped Kao to become more sustainable

KAO's ESG Achievements by the Numbers:

- 56 Tons Reduces Plastic Waste per Year
- 1 Million Simulations per Week
- 22 Try-ons per Visitor

Scan Barcode to Try It Yourself !

Perfect is Doing Our Part to Support What We Believe in:
Women's Empowerment & Gender Equality

May 2022 – Perfect Corp. pledged support for UN Women's Empowerment Principles

May 2022 – Perfect Corp. supported young sustainability activist (Hong Trinh) in her dream to climb Earth's highest peak.

June 2022 – Perfect Corp. partnered with The Pink Agenda Campaign in Honor of National Cancer Survivors Day (June 5th)

Exclusive AR filter to show support for the 3.8 million breast cancer survivors

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The AI & AR powerhouse helping beauty & fashion brands to achieve successful digital transformation