

FY2019

F&N

1H2019 Financial Highlights



PENUHI NUTRISI HARIAN
DENGAN KELAZATAN
F&N NUTRISOY



zero in
ON THE MOMENT

Zero Sugar, Zero Calories | **Replekhan Kaloritik, Minuman and Elektrolitik** | Tanpa Gula-Gula

Whatever your occasions may be, 100PLUS Zero Sugar helps you stay hydrated, enabling you to fully immerse in life's moments.



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1H2019 Performance Highlights

Earnings rose 59% to \$137 million on higher Dairies sales and profit share from Vinamilk

- Group performance improved for the half-year ended 31 March 2019 (“**1H2019**”)
 - Revenue increased 2% to \$932 million
 - EBIT rose 59% to \$137 million, from \$86 million
 - Fueled by Dairies increased earnings of 43%
 - Beverages earnings largely impacted by higher marketing spending and distribution costs, and pre-operating costs incurred at the new brewery in Myanmar
 - Profit after taxation grew 52% to \$107 million
 - A lower after-tax growth due to higher effective tax rate following the expiration of corporate tax incentive in Thailand

1H2019 Group Financial Highlights

Revenue
(million)

\$932
▲ 1.9%

Earnings before interest and tax
(million)

\$137
▲ 58.7%

Profit after tax
(million)

\$107
▲ 52.0%

EBIT margin
(%)

14.7%
▲ 525bps

Gearing¹
(%)

10.6%
▼ 0.2%²

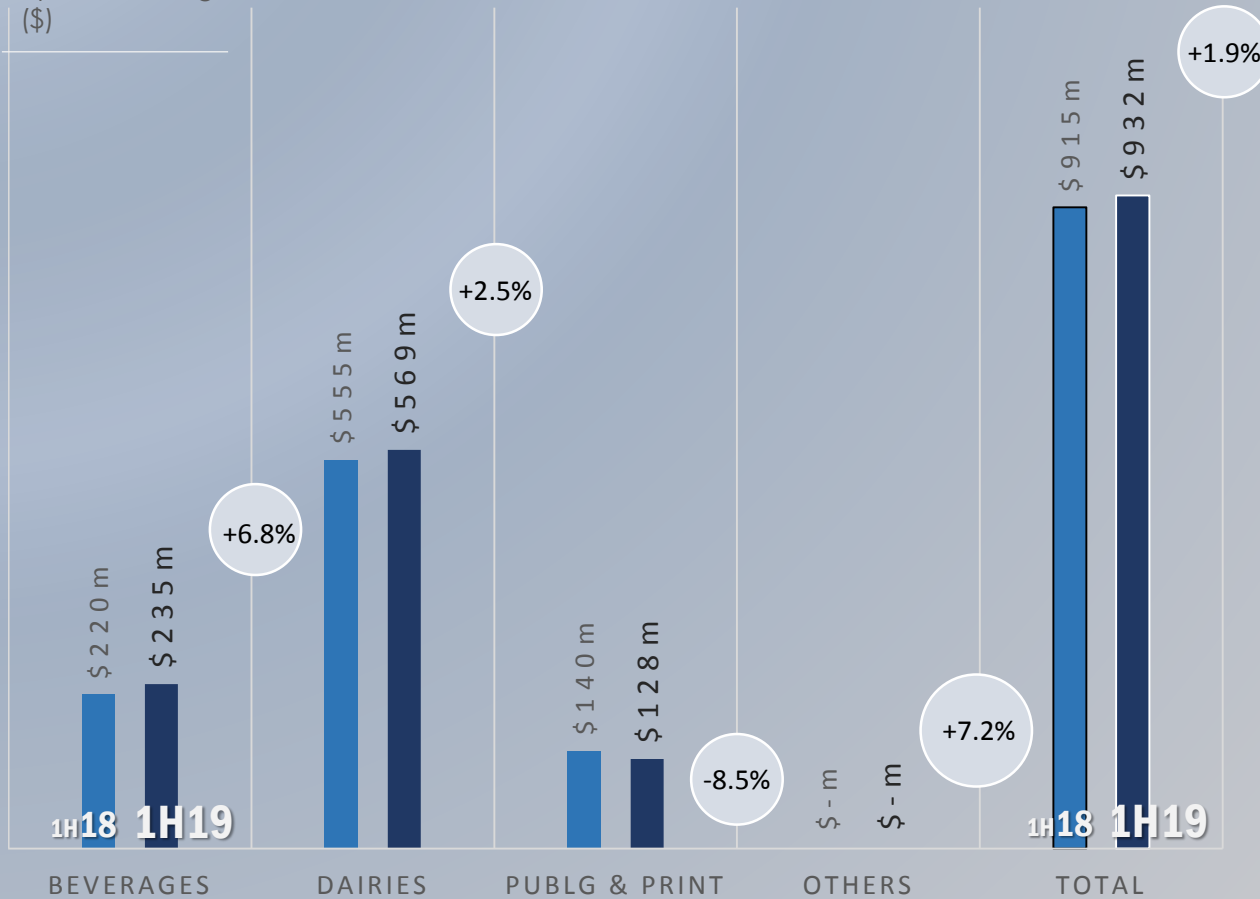
Earnings per share (basic)
(cents)

5.1³
▲ 82.1%

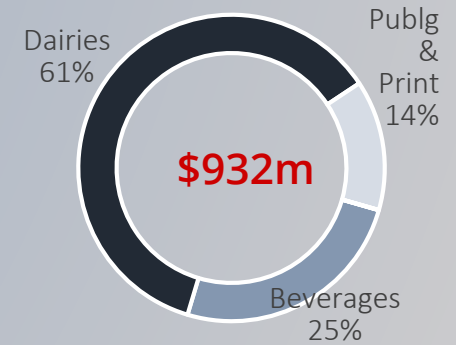
1H2019 Revenue grew 2% to \$932 million

Lifted largely by higher Beverages and Dairies sales

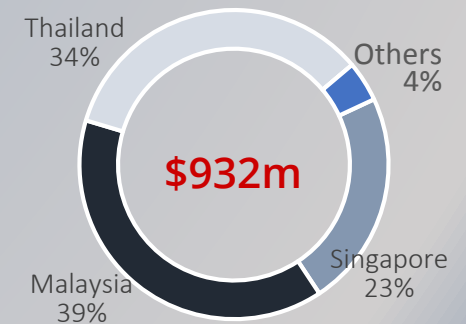
By Business Segment
(\$)



By Business Segment
(%)



By Geography
(%)



¹ Beverages comprises Soft Drinks and Beer

² Publg & Print denotes Publishing & Printing

1H2019 Revenue | Beverages

Revenue increased 7%, supported by Core and New markets

Beverages Malaysia

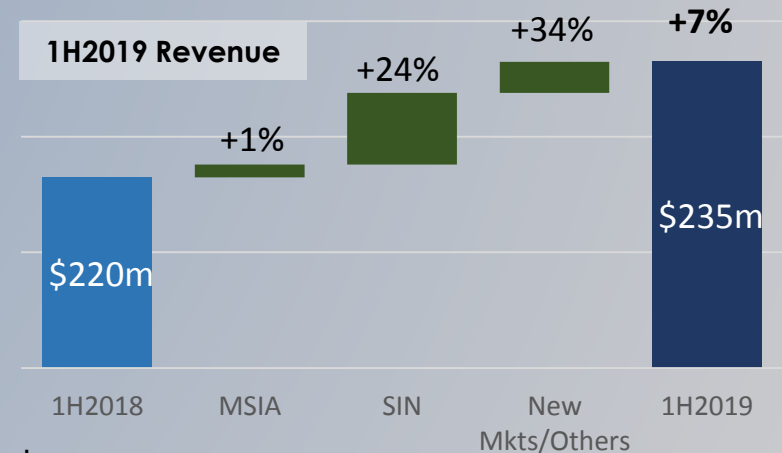
- Lifted by successful festive activations and improvements in route-to-market in East Malaysia

Beverages Singapore

- Revenue improved 24% mainly due to higher *100PLUS* sales on successful execution of marketing activities and promotions

Beverages New Markets¹ / Others

- Higher sales in Indonesia, driven by increased market penetration, largely supported growth in New Markets



1H2019 Revenue | Dairies

Revenue grew 3%, largely driven by strong performance from Dairies Thailand

Dairies Malaysia

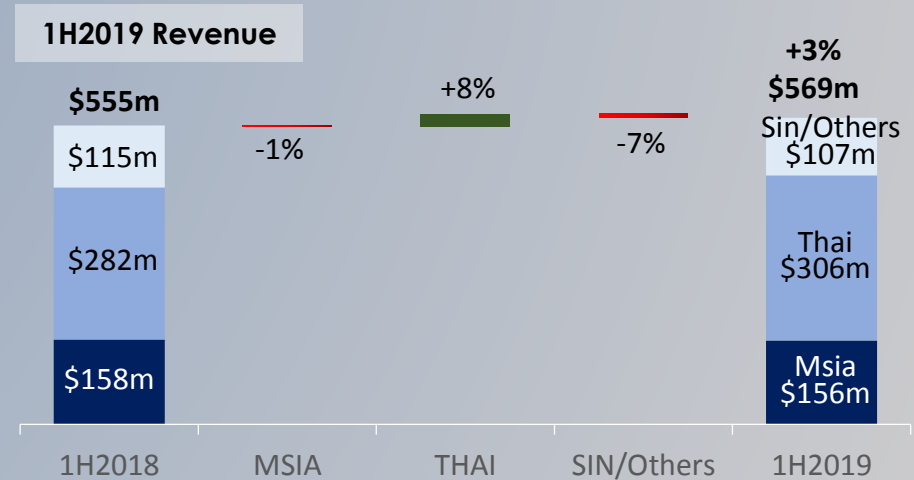
- Revenue down 1% amidst intense price competition in canned milk category; sales flat in local currency

Dairies Thailand

- Strong 2Q2019 performance accelerated sales growth
- Higher sales mainly due to effective marketing execution and improved route-to-market efficiency in domestic and Indochina markets

Dairies SIN/Others

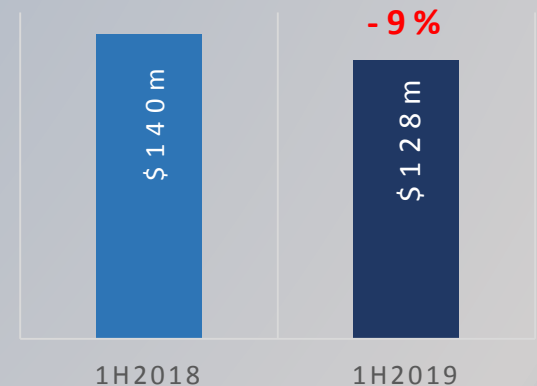
- Impacted by the absence of last year's one-off co-pack business



1H2019 Revenue | Publishing & Printing

- Revenue fell 9% due to
 - Drop in magazine-related demand for both print and distribution
 - Lower publishing sales in Singapore and Hong Kong

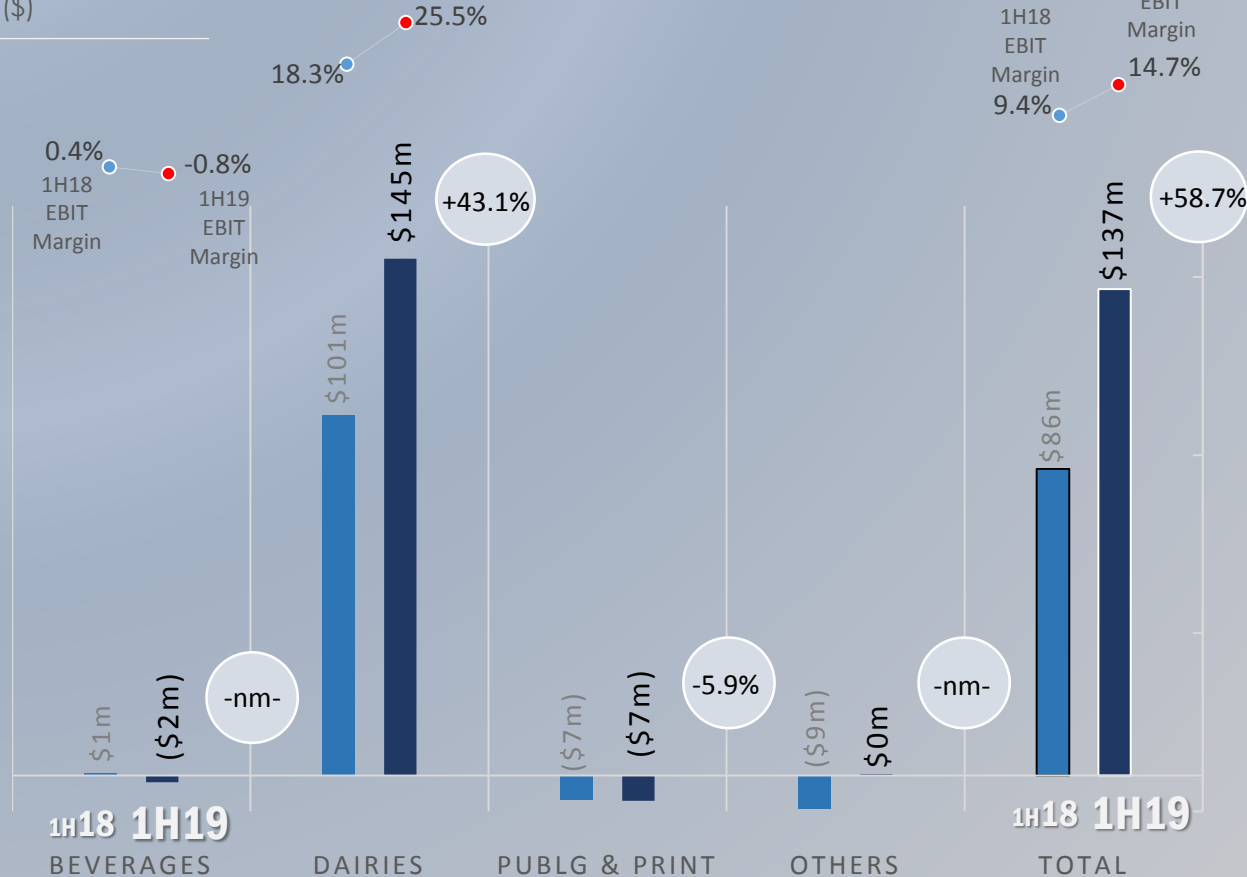
Revenue: Publishing & Printing



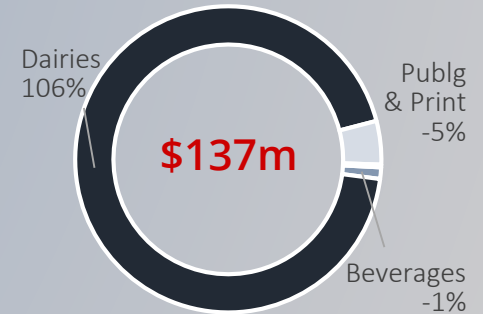
1H2019 EBIT surged 59%

Strong Dairies performance and higher profit share from Vinamilk boosted earnings

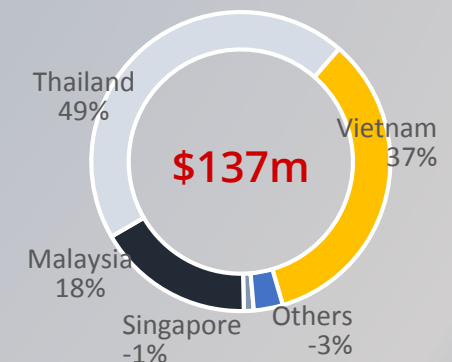
By Business Segment (\$)



By Business Segment (%)



By Geography (%)



¹ Beverages comprises Soft Drinks and Beer

² Publg & Print denotes Publishing & Printing

1H2019 EBIT | Beverages

Earnings fell mainly due to brewery pre-operating costs (\$1.7 million) and higher input costs; excluding pre-operating costs, Beverages losses narrowed

Beverages Malaysia

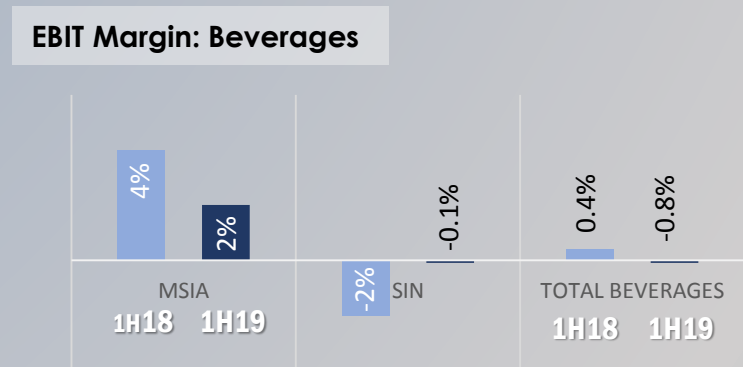
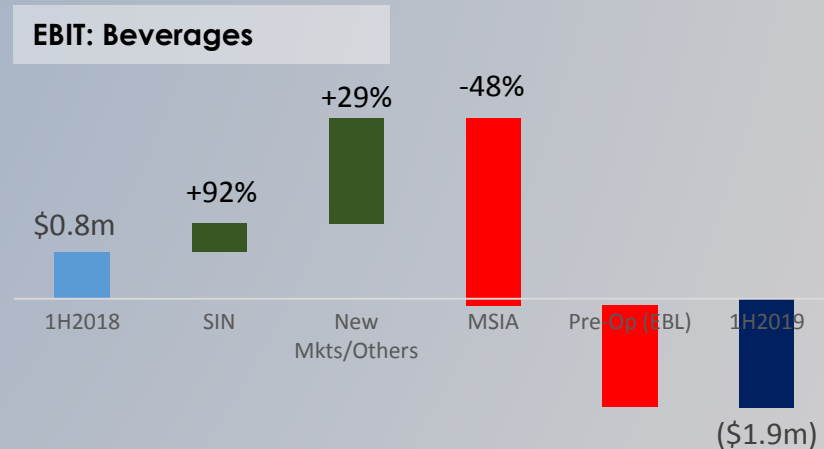
- Despite a 1% revenue growth, EBIT fell due to unfavorable input costs and higher marketing spend and distribution cost

Beverages Singapore

- Higher soft drinks and beer sales supported earnings growth

Beverages New Markets¹ / Others

- EBIT grew 29% mainly due to better performance from Indonesia as a result of higher sales and lower supply chain costs



1H2019 EBIT | Dairies

Earnings increased 43% on lower input costs and higher contribution from Vinamilk

Dairies Malaysia

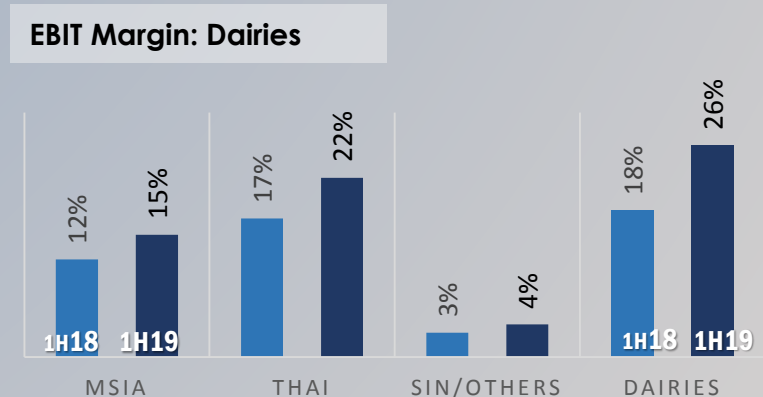
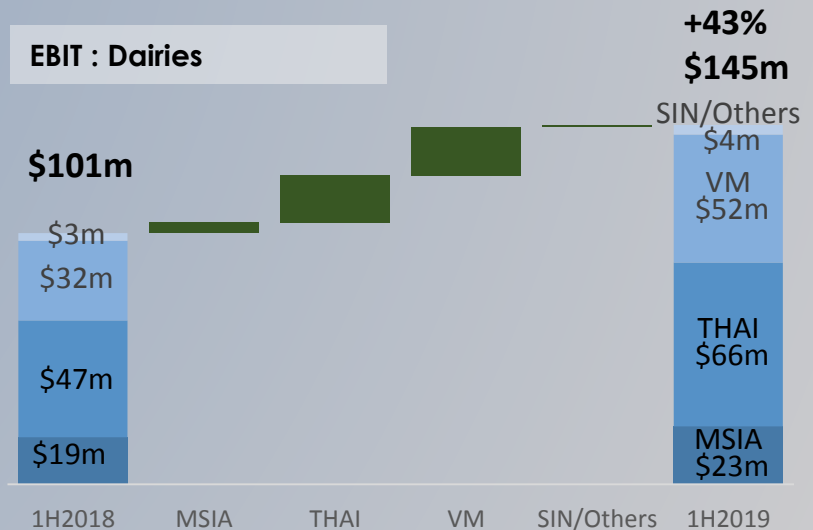
- EBIT increased 23% on lower input costs for sugar and dairy-based commodities

Dairies Thailand

- EBIT increased 40% largely driven by higher sales and favourable input costs

Vinamilk

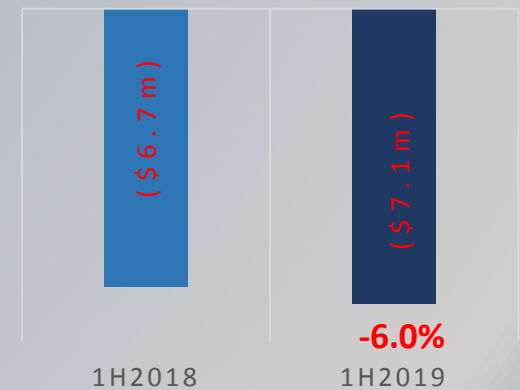
- Earnings improved due to (i) Vinamilk's higher revenue from recovery of domestic demand and (ii) absence of last year's one-off expense



1H2019 EBIT | Publishing & Printing

- Losses widened to \$7.1 million from \$6.7 million
 - Mainly due to the absence of a \$1.1 million one-off gain in the sale of machinery recorded last year

EBIT: Publishing & Printing



Maintained a strong financial position

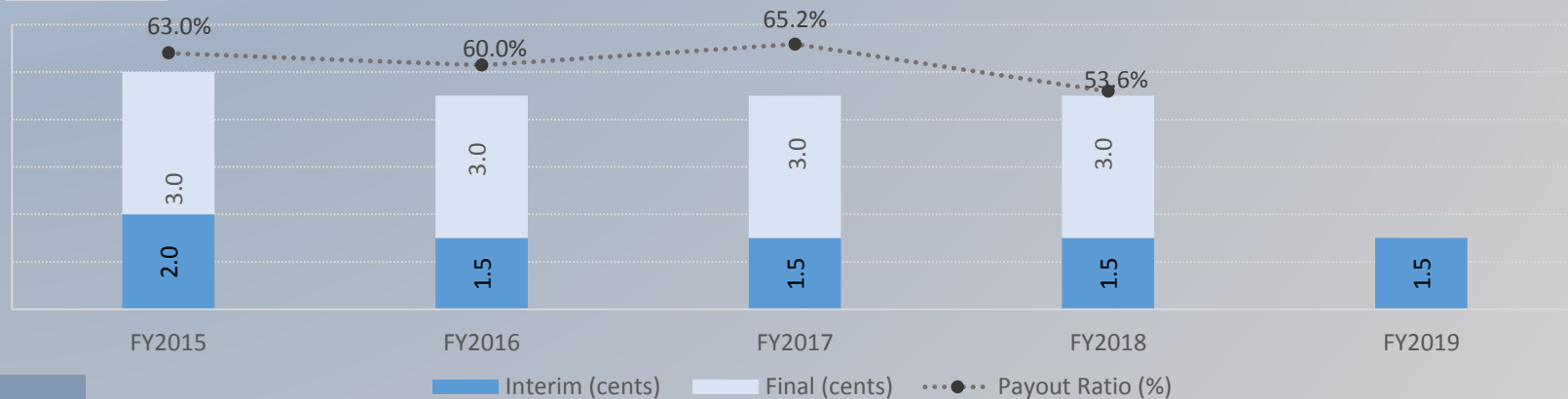
Focused on prudent balance sheet management

- Declared interim dividend of 1.5 cents per share, equal to last year
 - Takes into account Group's capital position and near-term capital needs
 - Dividend policy unchanged

Key Financials

	FY2018 (restated)	1H2019
Total Equity ¹	\$3,168m	\$3,213m
Total Assets	\$4,491m	\$4,347m
Net Borrowings	\$341m	\$341m

Dividend



100 PLUS
**AKTIFKAN
POTENSIMU**

**CORPORATE
DEVELOPMENTS**



New Launches

Accelerating innovations to meet changing demand

Innovation: Healthier products and portion control packing



100PLUS Colours

Malaysia
Limited edition +
250ml pack (new)



OYOSHI & F&N SEASONS

Malaysia



F&N MAGNOLIA Plus

Thailand
Lactose-free milk



F&N Lychee Pear

Malaysia
First flavoured CSD with
4.9g sugar/100ml

F&N acquires majority interest in Print Lab Pte. Ltd.

60.0%

INTEREST

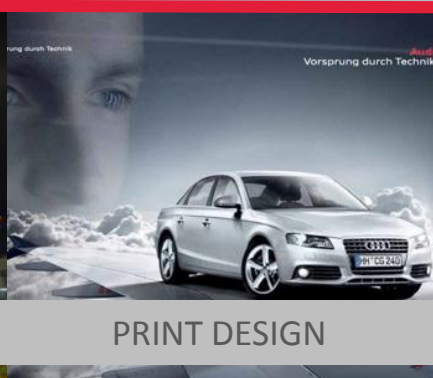
@ April 2019

PRINT LAB PTE. LTD. (“PL”)

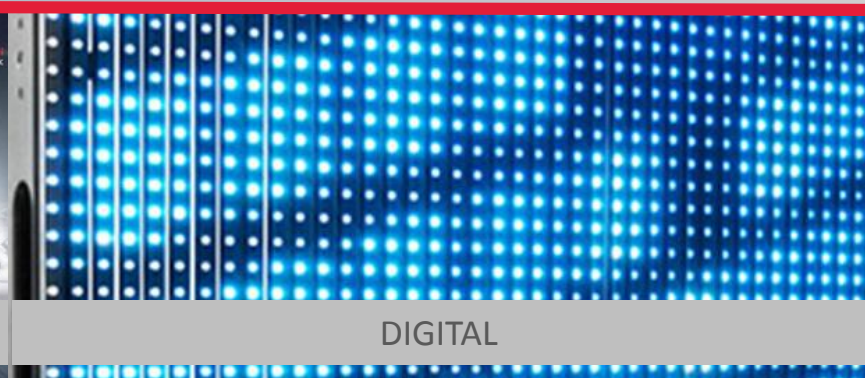
- Acquired a 60% stake for \$24.5 million
- PL is a one-stop print, creative and digital out-of-home solution provider in Singapore
- It serves many blue-chip companies across a diverse set of industries including clients in the creative retail marketing segment, FMCG, retail, automobile and financial institutions



LARGE FORMAT PRINTING



PRINT DESIGN



DIGITAL

F&N enters food business in Thailand

20.75%
EFFECTIVE
INTEREST
@ April 2019

GENKI SUSHI BANGKAPI CO. LTD. ("GSB")

- GSB is a franchised sushi restaurant business in Thailand, under its principal brand, *GENKI SUSHI*
- F&N's effective stake in GSB ~20.75%





AMAZING FLAVOUR WITH

LESS = SUGAR



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Fraser and Neave, Limited

