



Serving Up Goodness

Yeo Hiap Seng delivers profitable H1 FY2022, underlying business operations improve

Key Highlights

- Core Yeo's F&B Revenue grew 7.9% Y/Y
- Net Profit of \$1.2 million at half-year mark, compared to net loss of \$1.2 million a year ago
- Improvements from Malaysia and Cambodia markets

S\$ million	H1 FY2022	H1 FY2021	Y/Y
Total Revenue	181.2	169.3	+7.0%
Core Yeo's F&B Revenue	166.0	153.8	+7.9%
Gross Profit	55.9	53.9	+3.6%
GP Margin	30.8%	31.9%	-1.1pp
EBIT	3.0	(0.1)	+5784.3%
EBIT Margin	1.7%	0.0%	+1.7pp
Net Profit/(Loss)	1.2	(1.2)	+199.6%
Net Margin	0.7%	-0.7%	+1.4pp
EPS (S cents)	0.20	(0.21)	+197.8%

Singapore, 12 August 2022 – Mainboard-listed Yeo Hiap Seng Limited (Yeo's), a leading food and beverage (F&B) group in the region, announced its H1 FY2022 financial results today, recording a net profit of \$1.2 million at the half-year mark, an improvement from the loss recorded a year ago.

Group revenue for the period grew 7% Y/Y from \$169.3 million to \$181.2 million, driven by higher growth in Malaysia, Indonesia and Cambodia. However, China market was impacted by economic slowdown and Covid-19 measures. Core Yeo's F&B revenue grew at a slightly higher pace of 8% Y/Y to \$166.0 million.

Gross profit for H1 FY2022 increased 4% to \$55.9 million while GP margin came in lower by 1.1 percentage points at 30.8%, impacted largely by higher raw and packaging material costs, in line with the broader macroeconomic environment. EBIT Margin for H1 FY2022 increased 1.7 percentage points at 1.7%.

Other income was higher by \$1.4 million, largely contributed by rental, interest and dividend income.

The Group conducted a restructuring exercise for our Singapore operations which resulted in an one-off net restructuring charge of \$1.3 million in H1 FY2022. Post the restructuring exercise in Singapore, the Group expects to realise certain manpower savings. During the period, the Group recognised \$1.5 million write-back of impairment on trade receivables for collections of the amounts owing to us by our former distributors in Malaysia.

Outlook

Operating cost inflation, supply chain uncertainty and Covid impact in China continue to pose headwinds to the operations of the Group, and may be exacerbated by an increasingly challenging macroeconomic environment should geopolitical tensions deteriorate. We will focus on driving higher margin core Yeo's F&B growth, net price increase and cost reduction to improve business performance. We will continue to review our operational structure to drive operational efficiency and commercial excellence across our value chain.

About Yeo Hiap Seng Limited (www.yeos.com.sg)

Yeo Hiap Seng is a Singapore-based heritage brand that has pioneered innovations in Asian beverages for more than a century. It is the first in the world to package Asian drinks in Tetra Brik aseptic cartons using UHT process and the first to offer curry chicken in canned form. Yeo's popular range of soybean and chrysanthemum drinks are widely sold in Asia, Europe and North America.

The Group serves more than 30 markets around the world where the Yeo's portfolio of Asian food and beverages are known for its authentic flavours and exceptional quality. More than 80% of its beverages are from healthier choice products, making them the natural choice among consumers.

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