FY2019

F&N

1Q2019 Financial Highlights

FRASER AND NEAVE, LIMITED



















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1Q2019 Performance Highlights

Earnings improved 42% to $71 million on strong Dairies performance across core markets

- Group performance improved in the first quarter ended 31 December 2018 ("**1Q2019**")
  - Revenue improved marginally to $464 million
  - EBIT rose 42% to $71 million, from $50 million
    - Dairies profit improved 43%
    - Beverages earnings largely impacted by pre-operating costs incurred at the new brewery in Myanmar, and higher input costs
  - Profit after taxation rose 37% to $56 million
    - A lower after-tax growth due to higher effective tax rate following the expiration of corporate tax incentive in Thailand

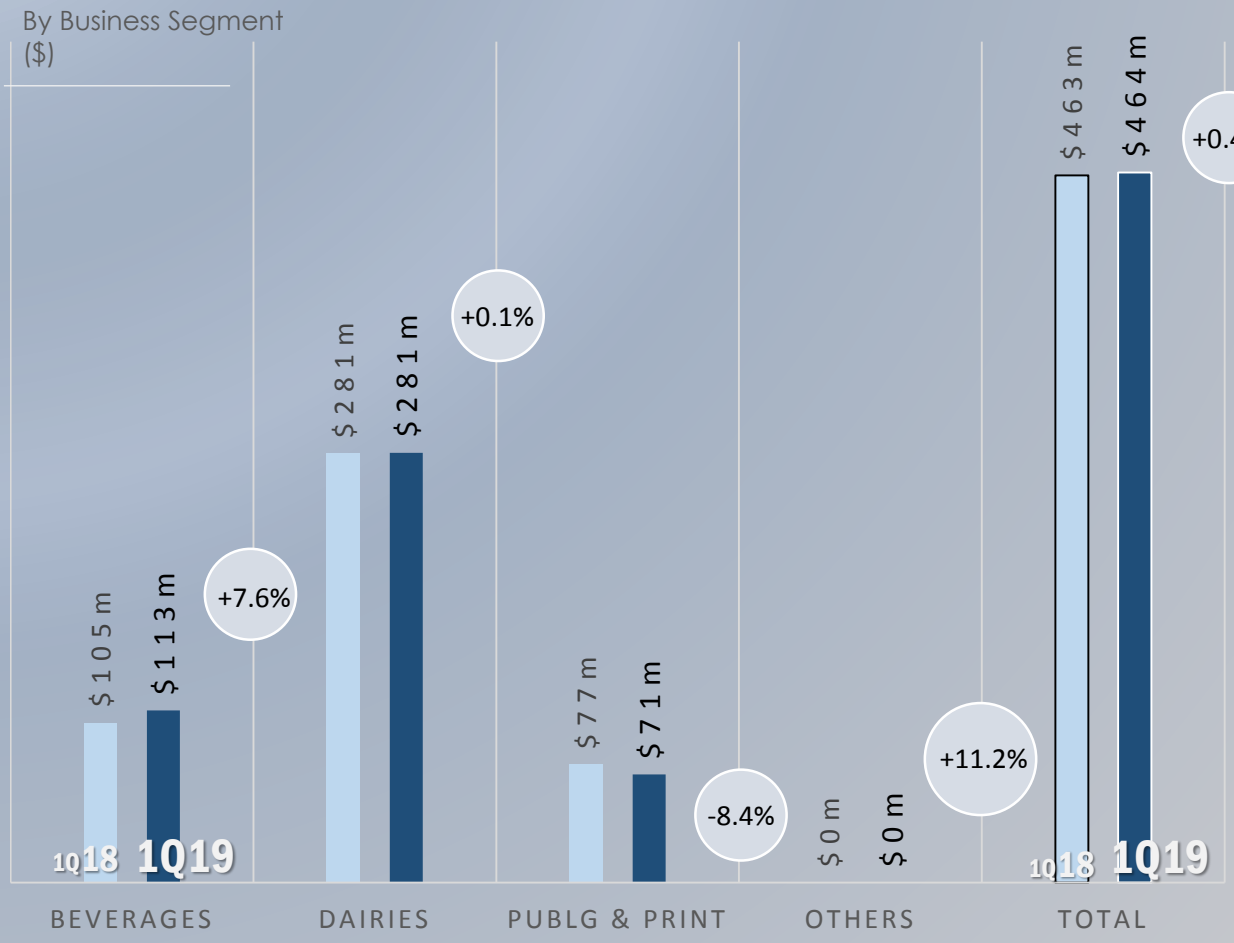
1Q2019 Group Financial Highlights

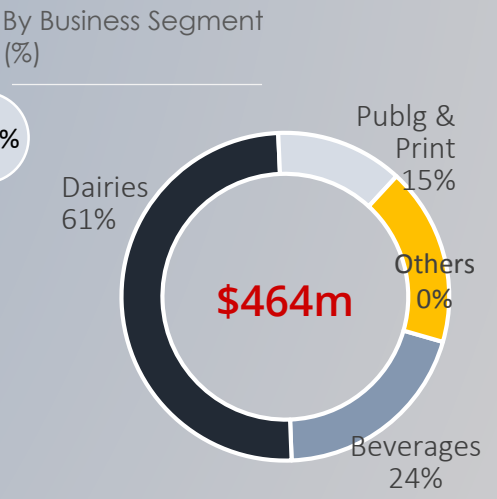
Revenue (million) $464 ▲ 0.4%	Earnings before interest and tax (million) $71 ▲ 41.6%
Profit after tax (million) $56 ▲ 37.0%	EBIT margin (%) 15.3% ▲ 445bps
Gearing[1] (%) 10.4% ▼ 3.4% in FY2018[2]	Earnings per share (basic) (cents) 2.6[3] ▲ 44.4%

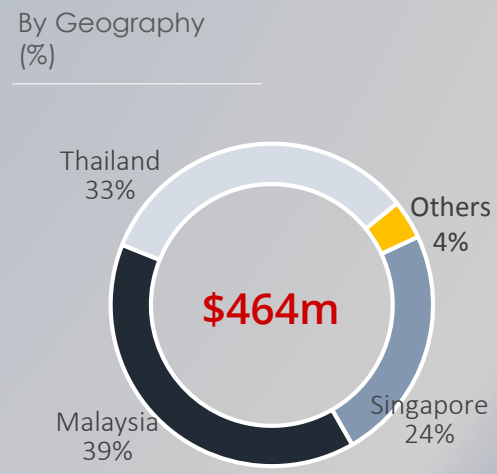
1 Net debt / Total equity
2 As at 30 September 2018 (restated)
3 Before exceptional items

1Q2019 Revenue grew 0.4% to $464 million

Lifted largely by stronger Beverages sales







[1] Beverages comprises Soft Drinks and Beer
[2] Publg & Print denotes Publishing & Printing

1Q2019 Revenue | Beverages

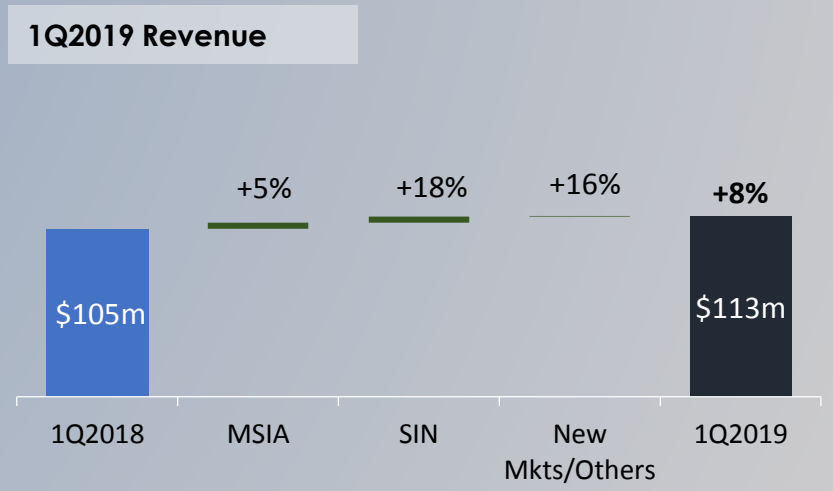
Revenue increased 8% on early sell-in for 2019 Chinese New Year festivity

Beverages Malaysia

– Revenue grew 5% due to earlier Chinese New Year festive sell-in and less trade discounting

Beverages Singapore

– Revenue improved due mainly to early sell-in for 2019 Chinese New Year festivity



Beverages New Markets[1] / Others

– Revenue improved due mainly to higher concentrate sales

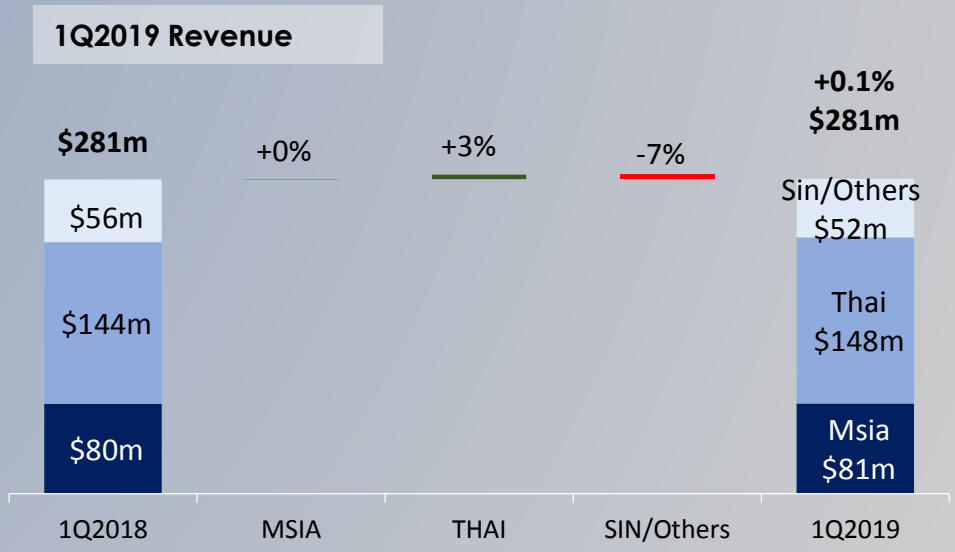
[1] New Markets include Indonesia, Myanmar and Vietnam

1Q2019 Revenue | Dairies

Revenue grew marginally to $281 million

Dairies Malaysia

– Maintained domestic volume and sales amidst intense price competition in canned milk category



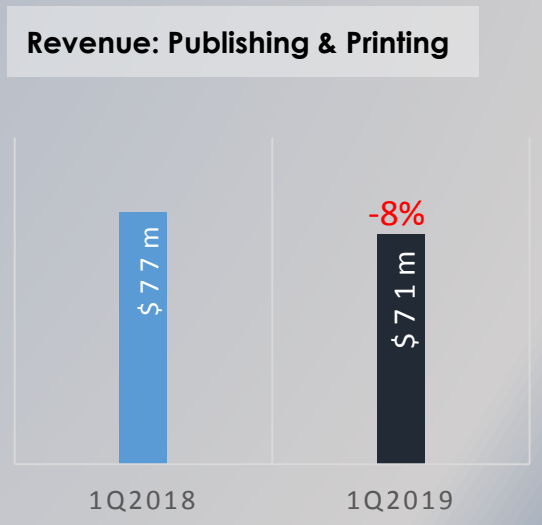
Dairies Thailand

– Export sales grew, driven by market expansion and execution of promotional campaigns in Indochina

– Domestic sales was flat due to intensifying competition in the sweetened beverage creamer category, despite higher evaporated milk sales

1Q2019 Revenue | Publishing & Printing

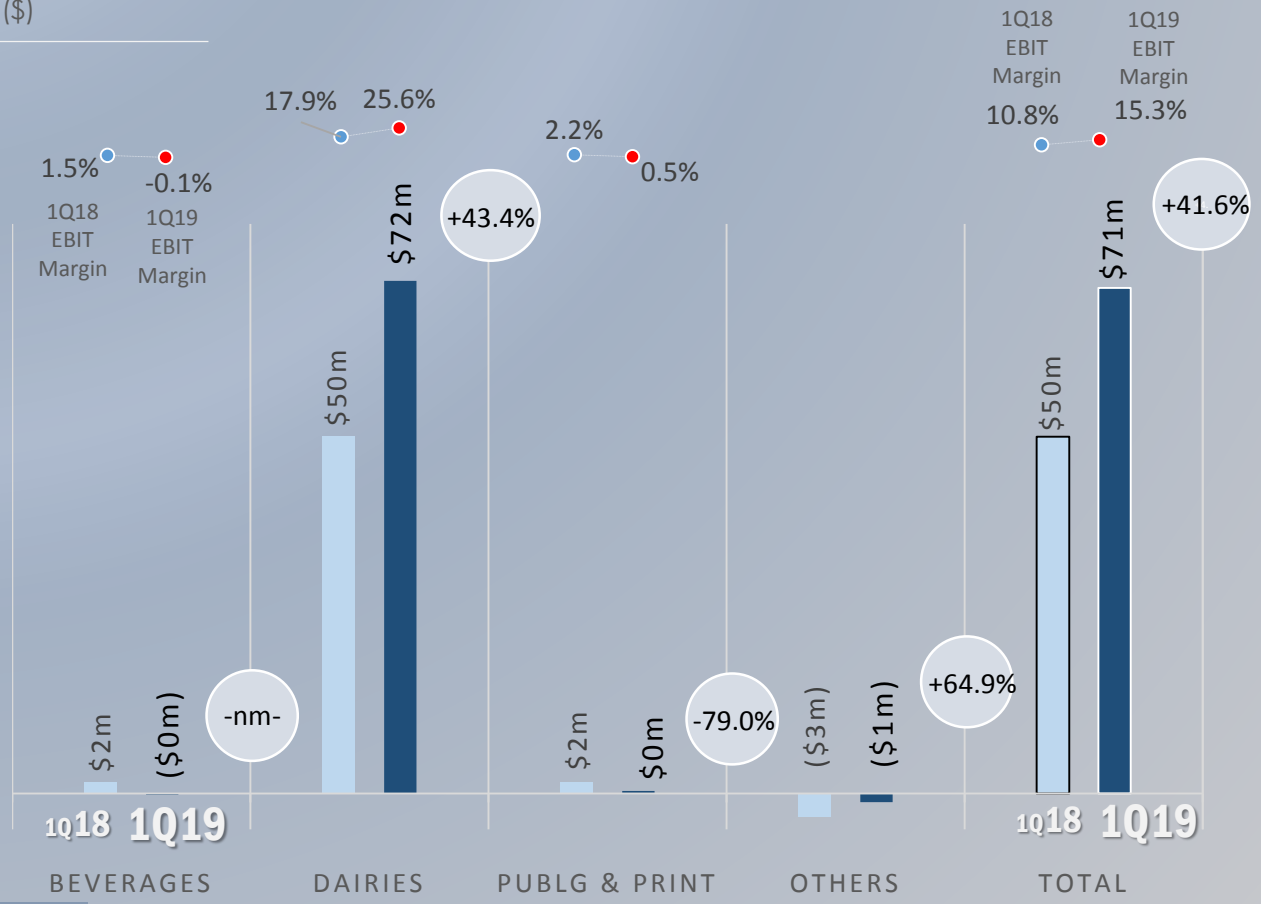
- Revenue fell 8% due to
  - Lower print and distribution volume for magazines
  - Timing differences in the publication of business directories



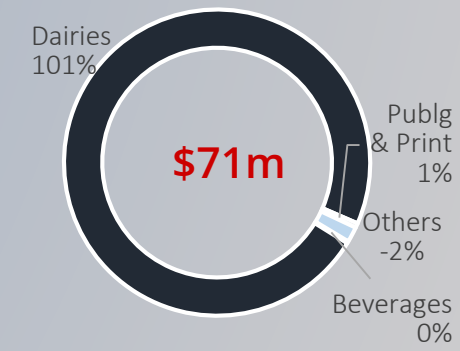
1Q2019 EBIT rose 42%

Supported by strong Dairies performance and higher contribution from Vinamilk

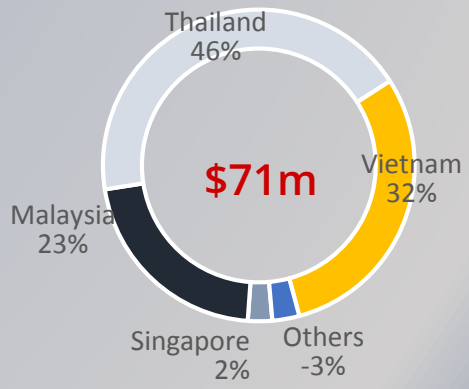
By Business Segment ($)



By Business Segment (%)



By Geography (%)



[1] Beverages comprises Soft Drinks and Beer
[2] Publg & Print denotes Publishing & Printing

1Q2019 EBIT | Beverages

Earnings fell due mainly to brewery pre-operating costs and higher input costs; excluding pre-operating costs, Beverages would have an EBIT of $1.0 million

Beverages Malaysia

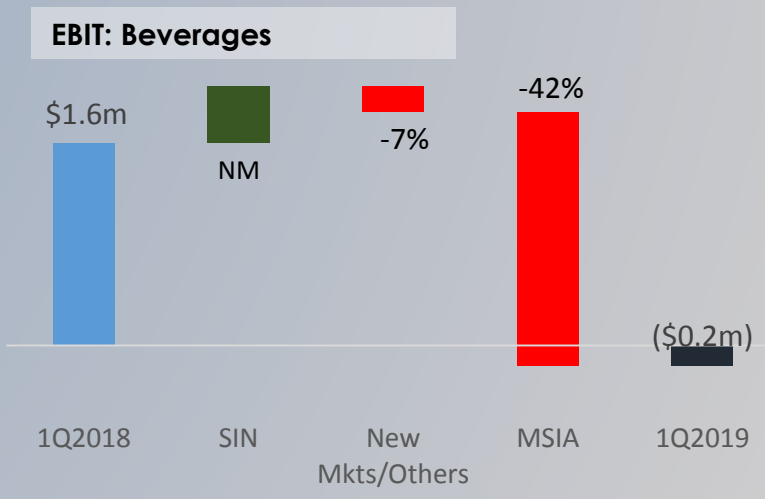
– Despite higher revenue, EBIT fell due to higher packaging costs and higher manufacturing overheads

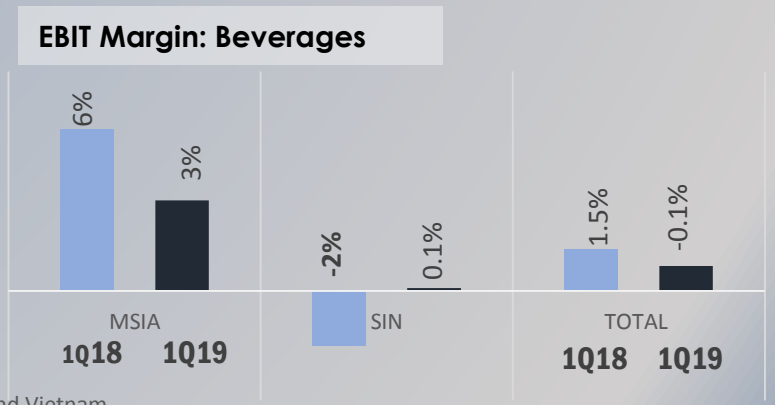
Beverages Singapore

– EBIT improved; fueled by higher sales, lower A&P spend and favourable exchange rate impact

Beverages New Markets[1] / Others

– EBIT decreased due to pre-operating costs incurred at the new brewery in Myanmar





First quarter ended 31 December 2018

[1] New Markets include Indonesia, Myanmar and Vietnam

1Q2019 EBIT | Dairies

Growth was broad-based; earnings increased 43% on lower input costs and higher contribution from Vinamilk

Dairies Malaysia

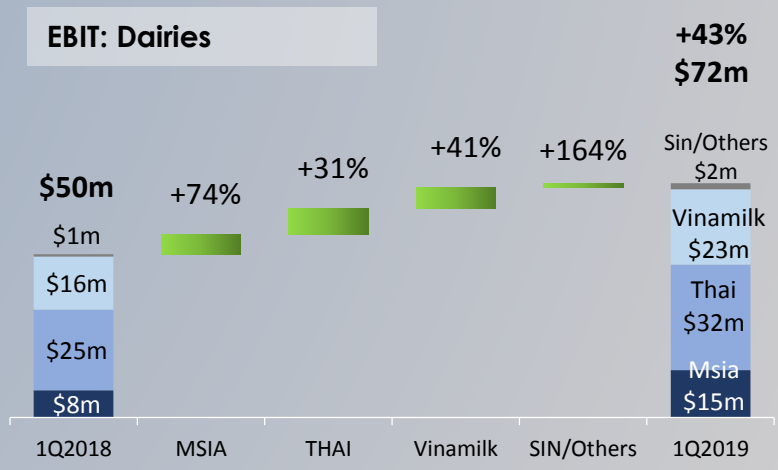
– EBIT improved 74% on lower input costs for sugar, palm oil and dairy-based commodities

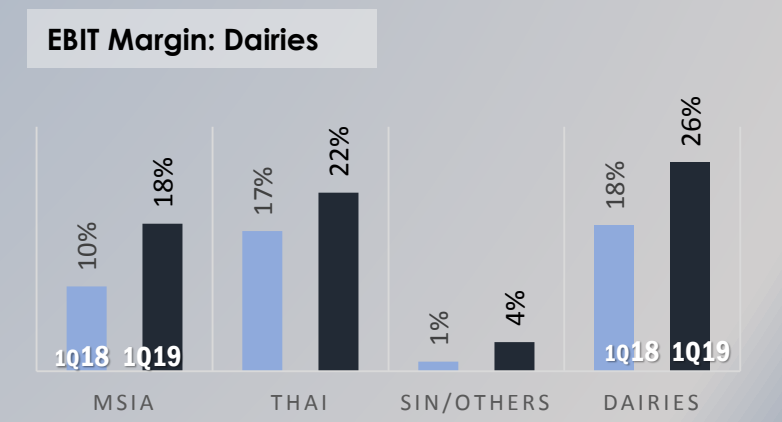
Dairies Thailand

– EBIT improved driven largely by favourable input costs on key raw materials, partly offset by higher advertising and promotional expenses

Vinamilk

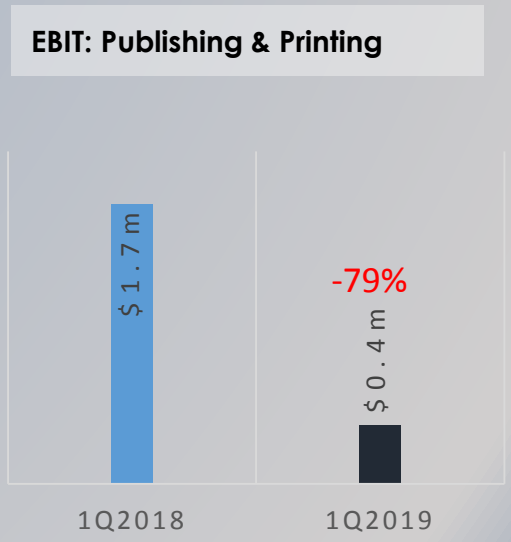
– Earnings improved 41% on higher shareholding (19.2% to 20.01%) and improved performance from Vinamilk





1Q2019 EBIT | Publishing & Printing

- EBIT declined from $1.7 million to $0.4 million
  - Due largely to the absence of a $1.1 million one-off gain in the sale of machinery recorded in the last corresponding period





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