

Food Empire Holdings Limited

FY2024 Results Briefing

FoodEmpire TV

FOOD EMPIRE FOCUS:

Surging Forward

Strategising Our Growth Plans



Food Empire

Food Empire
01019F
Singapore (SGX)

ETI

9,201.34

NIKKEI*

33,341.6

HSH

16,785.13

DOW JONES

37,431.91

Surging Forward

Strategising Our Growth Plans

▶ Record revenue of US\$425.7 million for FY2023

▶ Record operating profit of US\$70.9 million for FY2023

▶ Proposed record dividend of 10.0 Singapore cents per ordinary share for FY2023

▶ Awarded "Forbes Asia's Best Under A Billion" company

Food Empire

Industry: Food & Beverages, Food Processing

Price Chart





AGENDA

- **Business Update**
- **FY2024 Financial Highlights**
- **Prospects & Investment Merits**
- **Q&As**

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Business Update

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Brief Business Overview



*Food Empire (SGX: F03)
A multinational F&B brands,
distribution and
manufacturing Group and a
leader in branded instant
coffeemixes with a history
dating back more than 30
years*



Dynamic portfolio of more than 200 instant beverages and snacks

Extensive distribution networks across more than 60 countries with **brand leadership position** in key markets

Deep global presence with headquarters in Singapore and 23 offices worldwide

Strong and expanding manufacturing capabilities with 9 HACCP and ISO certified manufacturing facilities and 2 more in pipeline



FY2024 Corporate Developments



2Q2024: Completed the expansion of NDC production facilities in Malaysia



- Commenced production of added capacity in April 2024
- Expect to reach full utilisation over the next 2 to 3 years

2Q2024: Integration of Tea House LLP as a subsidiary in May 2024



- Revenue contribution from Tea House commenced in May 2024
- Expected to make full-year revenue contribution in FY2025
- Tea House is one of the leading tea producers in Kazakhstan

3Q2024: Inked strategic partnership with Ikhlas Capital to intensify focus on Asia



- Paves the way for Food Empire to tap on Ikhlas' extensive network of investors in Asia as part of the Group's new regional focus

Strong Expansion Pipeline



BY 1H2025: Expansion of snack production factory in Malaysia



- Expected to be completed by the 1st Qtr of 2025 and commercial production to commence by 2nd Qtr of 2025
- Expected to contribute significantly to the expansion of the Group's snack production capacity



BY END-2025: 1st coffee mix manufacturing facility in Kazakhstan



- Scheduled to be completed by the end of 2025
- Expected to create 300 new jobs for locals and enable the Group to better serve the region
- Expected to boost production capacity for coffee mixes by about 15%



EARLY 2028: Freeze-dried soluble coffee manufacturing facility in Vietnam (Pre-construction phase)



- Location: Binh Dinh province, Vietnam
- 2nd freeze-dried plant for the Group
- Expected to strengthen Food Empire's ingredients business
- Positions the Group as one of the region's major players in freeze- and spray-dried soluble coffee when completed



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FY2024 Financial Highlights

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FY2024 Financial Overview



US\$'m	FY2024	FY2023	% Change
Revenue	476.3	425.7	11.9
EBITDA	81.1 [^]	86.8	(6.6)
EBITDA (normalised)	78.3	86.9	(9.9)
EBITDA Margin (%) (normalised)	16.4	20.4	(4.0 pt)
NPAT[#]	52.9 [^]	56.5	(6.4)
NPAT[#] (normalised)	50.0	56.5	(11.4)
NPAT Margin (%)[#] (normalised)	10.5	13.3	(2.8 pt)
Basic EPS (USD cents)	10.0	10.8	(7.4)

[#] Including non-controlling interest

[^] Including a fair value gain of US\$2.8 million from the redeemable exchangeable notes

Summary of Cash Flows



US\$'m	FY2024	FY2023
Operating Activities		
Net cash flows from operating activities	25.5	50.6
Investing Activities		
Net cash flows used in investing activities	(18.3)	(12.4)
Financing Activities		
Net cash flows used in financing activities	(5.7)	(31.5)
Net increase in cash and cash equivalents	1.4	6.7
Effect of exchange rate changes on cash and cash equivalents	(1.9)	(1.0)
Cash and Cash equivalents		
At beginning of the period	131.3	125.6
At end of the period	130.9	131.3

Balance Sheet & Key Ratios



US\$'m	FY2024	FY2023		FY2024	FY2023
Total Assets	460.1	402.9	Debt to Equity Ratio	15.4%⁺	14.0%
Total Loans and Borrowings	39.4⁺	36.4	Working Capital (USD)	92.1 M	63.7 M
Shareholders' Equity[*]	296.1	294.5	Quick Ratio	2.0	2.4
Free Cash Flow Generated	7.2	38.2	Current Ratio	3.1	3.4
Basic EPS (USD cents)	10.0	10.8	ROE (equity based on prior year)	17.9%[^]	20.5%
NAV per share (USD cents)	55.8	56.2	ROA	11.5%[^]	14.0%
			PB ratio[#]	1.8	2.0

⁺ Excludes US\$37.2 million of redeemable exchangeable notes

^{*} Including non-controlling interest

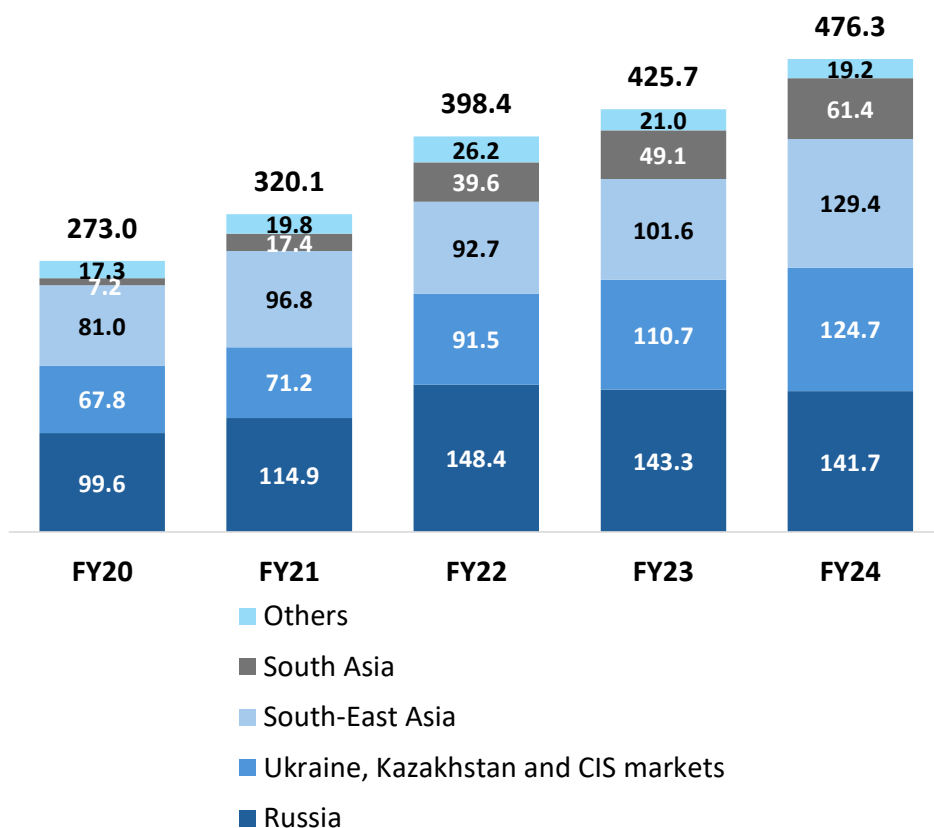
[#] Share price as at respective period/year end date

[^] Including a fair value gain of US\$2.8 million from the redeemable exchangeable notes

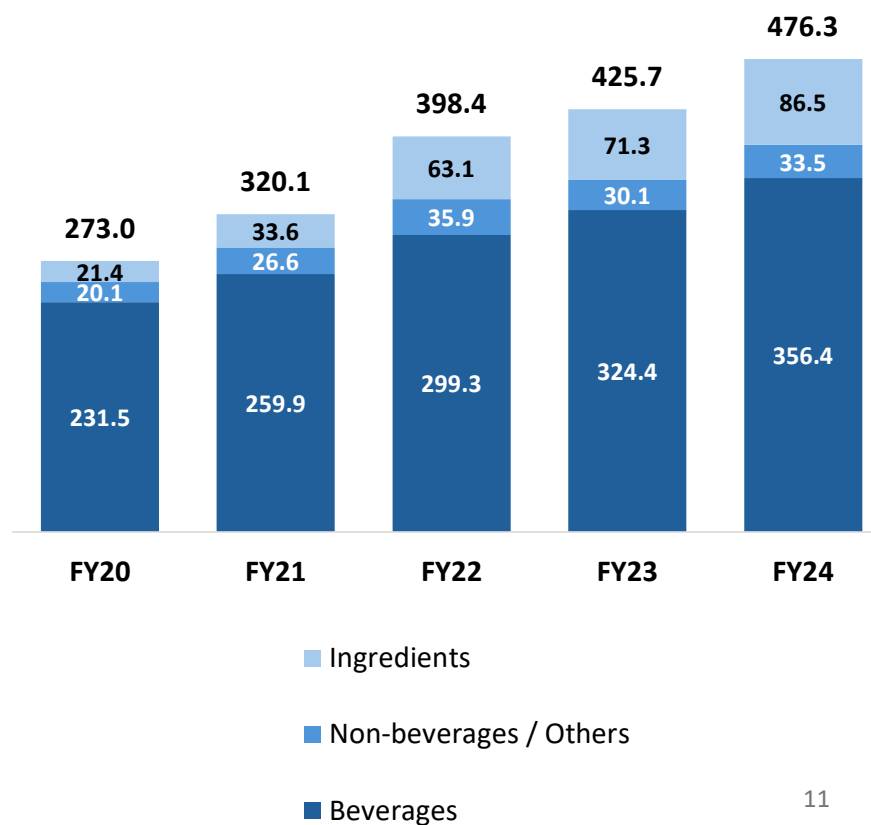
5-year Revenue Breakdown



By Geography (US\$'m)



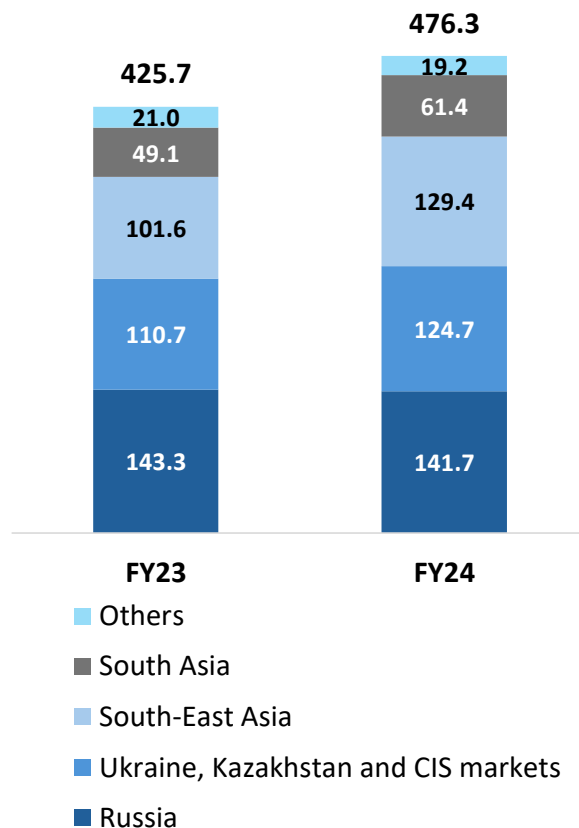
By Segment (US\$'m)



FY2024 Geographical Highlights



Revenue by geography (US\$'m)



South-East Asia

(Revenue ↑ 27.3%)

- **Vietnam:** Contributed more than 50% of South-East Asia's revenue due to strong momentum generated by intense marketing efforts
- **Malaysia:** Revenue up due to higher sales volumes of non-dairy creamer supported by expanded production capacity and capabilities of NDC factory. Snack business also recorded higher sales

Ukraine, Kazakhstan and CIS markets

(Revenue ↑ 12.6%)

- **Ukraine, Kazakhstan and CIS markets:** Revenue growth due to price adjustments, new product launches and new contribution from Tea House, which became a subsidiary in May 2024

South Asia

(Revenue ↑ 24.9%)

- **India:** Operations running at close to full capacity and revenue boosted by increased sales of instant coffee products and higher pricing to reflect rising cost of coffee beans

Russia

(Revenue ↑ 7.3% in local currency terms)

- **Russia:** Increase in revenue in local currency terms due to price adjustments

Prospects & Investment Merits

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Growth Drivers & Investment Merits



Market leader with widening global presence & strong brand equity

- Market leader of 3-in-1 coffee mixes in Russia, Ukraine, Kazakhstan and other CIS countries
- Top 3 instant coffee mix brands by Sales Value in Vietnam; leader in ice coffee category
- Strong consumer loyalty and mindshare across brands

Expanding production capacities & manufacturing facilities

- FY2024: 9
- FY2025: 10 (including new Kazakhstan facility)
- FY2028: 11 (including new Vietnam facility)

Strategic diversification & geographical focus

- On track to become one of Asia's major players in freeze-dried soluble coffee once Vietnam facility is completed
- New focus on Asia as a key region for growth

Track record of healthy dividend yields*

- FY2023: 8.8% based on proposed final + special dividend of S\$0.10/ordinary share
- FY2024: 8.1% based on proposed final + special dividend of S\$0.08/ordinary share

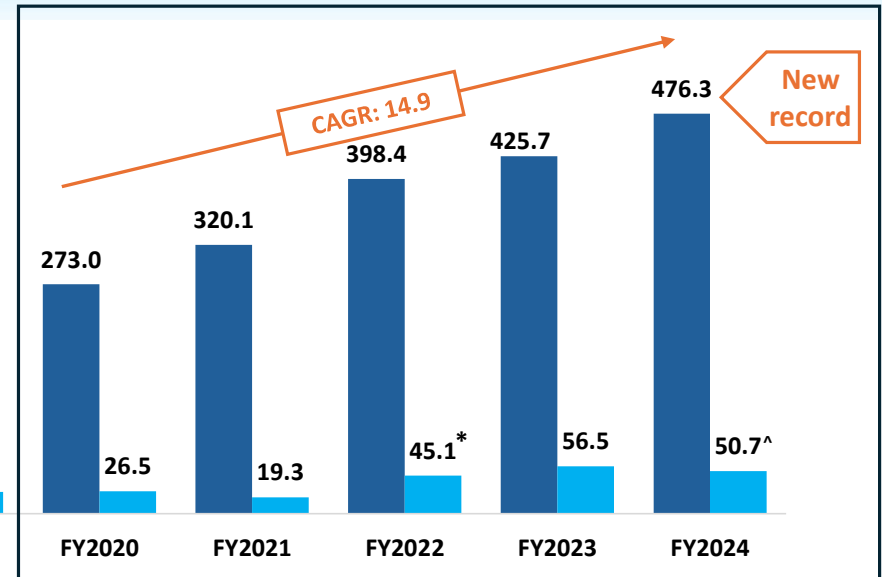
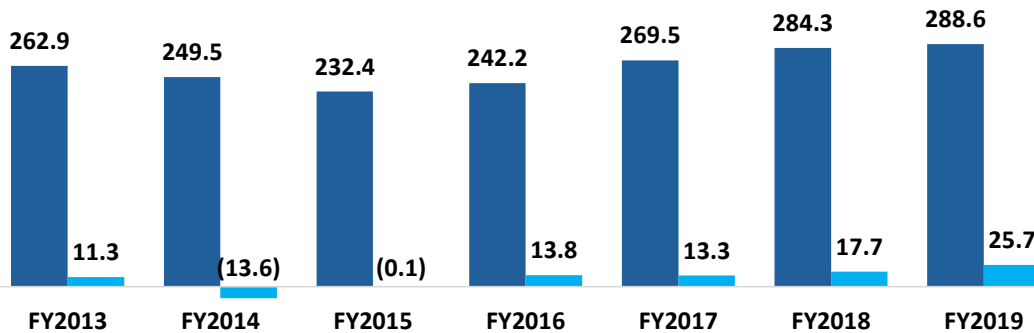
* Based on share price as at 31 Dec for FY2022, FY2023 and FY2024.



4 Consecutive Years of Revenue Growth



■ Revenue (US\$'m)
■ NPAT (US\$'m)



FY2013: Launched Café Pho brand in Vietnam, which rapidly gained brand recognition, consumer acceptance and market leadership position

FY2013: Commenced operations of Non-Dairy Creamer manufacturing facility in Malaysia

FY2015: Commenced operations of Spray Dried Soluble Coffee manufacturing facility in India

FY2021: Commenced operations of Freeze Dried Soluble Coffee manufacturing facility in India

FY2024: Commenced operations of expanded Non-Dairy Creamer manufacturing facility in Malaysia

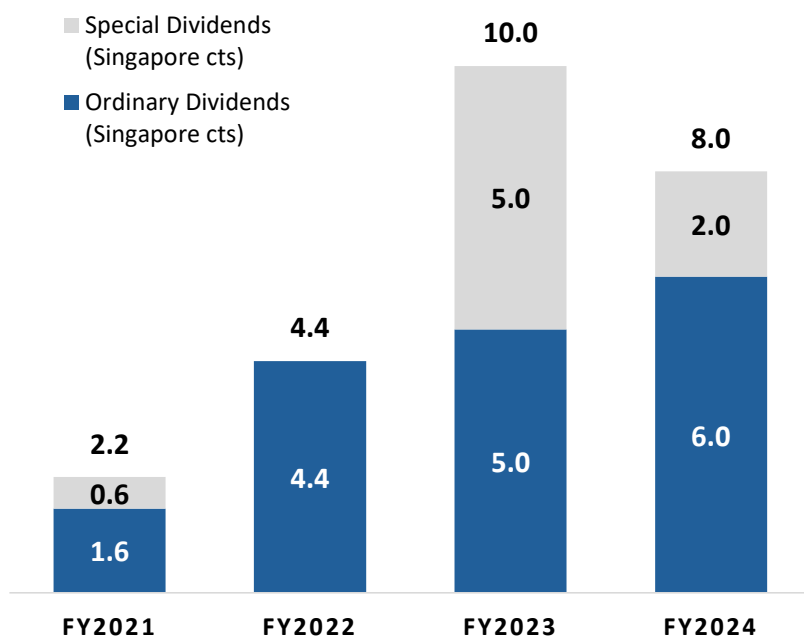
* Normalised and excluding the US\$15.0m one-off gain from the disposal of non-core asset in FY2022.

^ Normalised and excluding a fair value gain of US\$2.8 million from the redeemable exchangeable notes

Strong Commitment to Shareholder Returns



3 consecutive years of increase in ordinary dividends



Cumulative shareholder returns (FY2021 –FY2024)

	Dividend Payout (S\$'m)	Share buyback (S\$'m)	Total (S\$'m)
FY2021	11.8	3.4	15.2
FY2022	23.4	3.2	26.6
FY2023	52.9	10.2	63.1
FY2024	42.1	8.4	50.5
Total	130.2	25.2	155.4



Thank You!

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