



BROADENING Our Impact

FY 2019/20 Final Results
June 19, 2020



Vitasoy International Holdings Ltd.
維他奶國際集團有限公司

FINANCIAL REVIEW


Chris Lau
Group CFO

Disclaimer

In addition to historical information, this presentation contains forward-looking statements with respect to the results of the operations and business of Vitasoy. These forward-looking statements represent Vitasoy's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Vitasoy International Holdings Limited


FINANCIAL PERFORMANCE – 2H

HKD' million	2H 2019/20		Net of FX impact
Revenue	2,548	- 17%	-15%
Gross profit	1,295	- 21%	-19%
GP%	51%	- 2ppt	- 2ppt
EBITDA	188	- 53%	- 51%
Profit before tax	-34	- 113%	- 114%
Profit to shareholders	3	- 99%	-98%

 indicates variance with FY2018/19

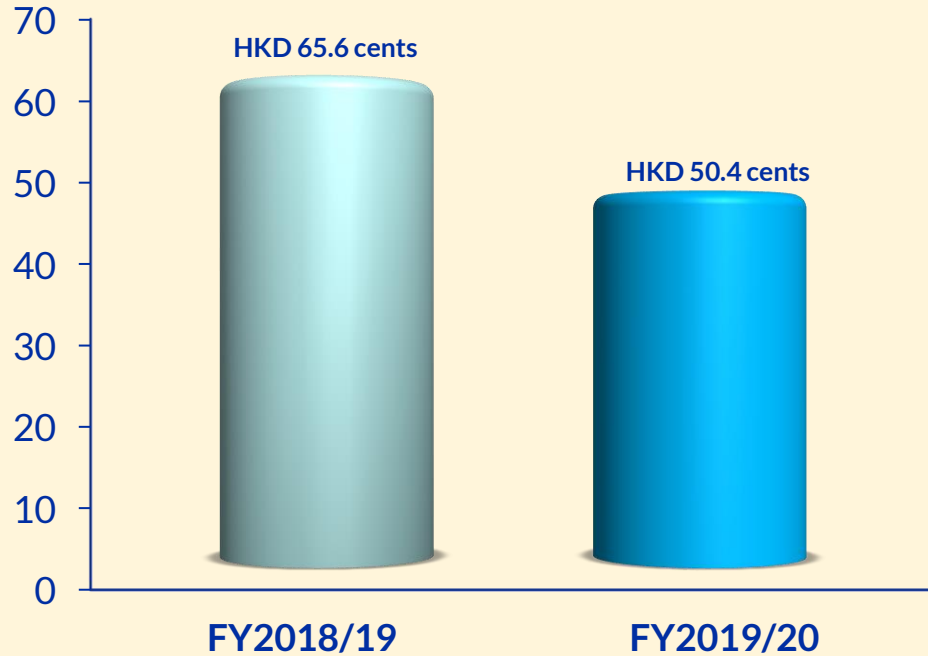
FINANCIAL PERFORMANCE – FULL YEAR

HKD' million	Full Year 2019/20		Net of FX impact
Revenue	7,233	- 4%	- 1%
Gross profit	3,851	- 5%	- 2%
GP%	53%	- 1ppt	- 1ppt
EBITDA	1,097	- 11%	- 8%
Profit before tax	679	- 29%	- 26%
Profit to shareholders	536	- 23%	- 20%

 indicates variance with FY2018/19

BASIC EARNINGS PER SHARE

HKD cent



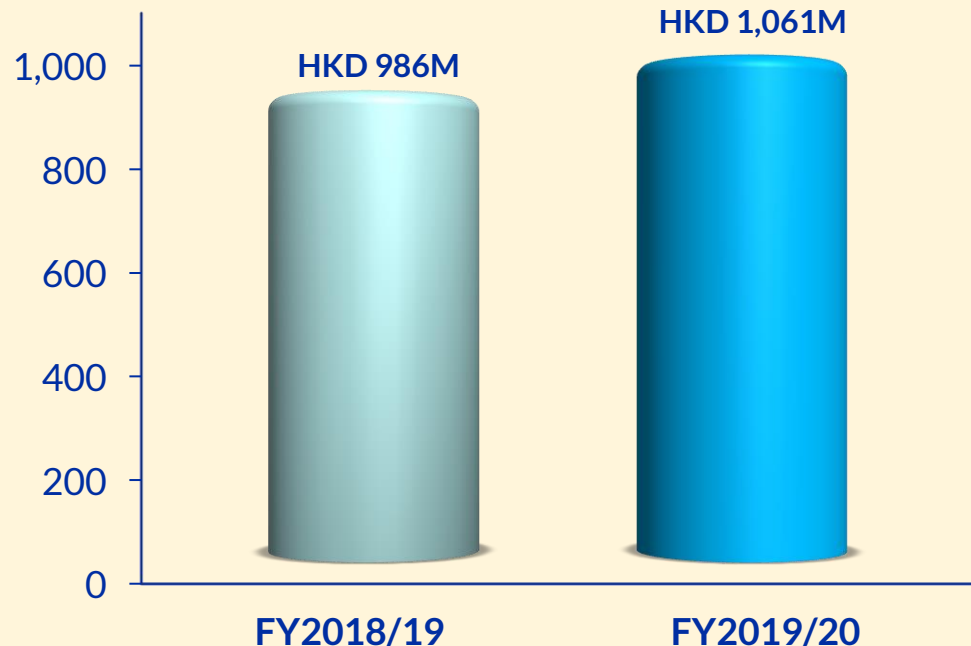
-23%

DIVIDEND

Interim	Final	Total
3.8¢ per share	28.4¢ per share	32.2¢ per share

CAPITAL EXPENDITURE

HKD million

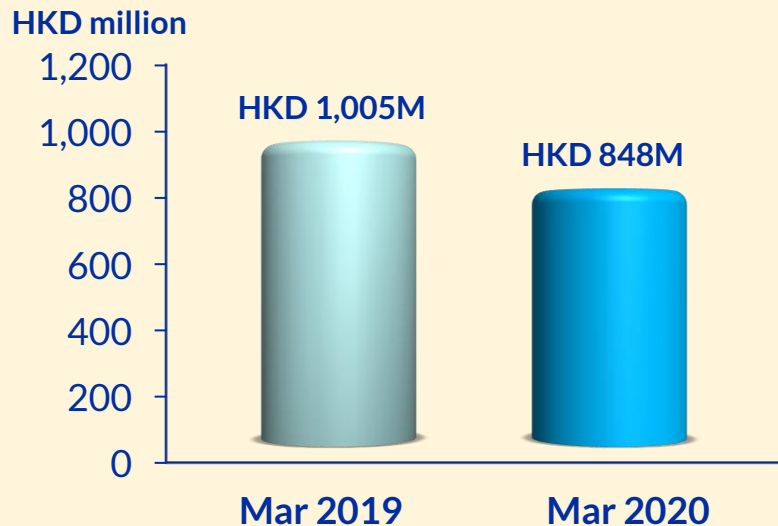


+8%

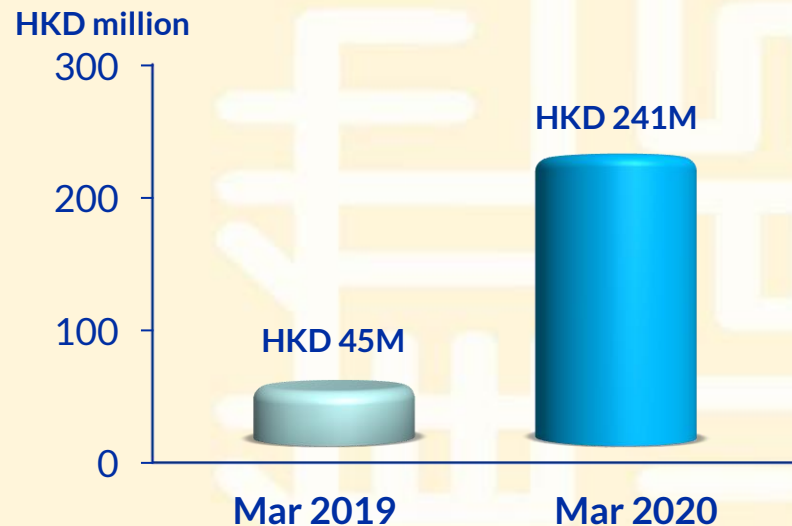
- Construction of new plant in Dongguan
- Upgrade program in HKSAR, China
- Acquisition of new production lines

FINANCIAL POSITION

Cash

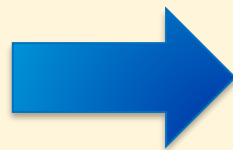


Bank Borrowings



GEARING RATIO

1%



16%

March, 2019

March, 2020

ROCE

37%



31%

March, 2019

March, 2020

BUSINESS REVIEW & OUTLOOK

Roberto Guidetti
Group CEO

SHORT TERM RESULTS AFFECTED BY COVID-19 LONG TERM OUTLOOK STAYS STRONG

- Net of FX impact, full year revenue/operating profit was -1%/-25%
- Underlying business strength is solid, as shown by growing market shares
- Employees and infrastructure protected. Innovation pipeline is strong
- Another year of major progress in Environment, Social and Governance (ESG) KPIs
- In FY2020/21, we are pacing investments and reducing costs
- We will gradually and progressively restore growth trajectory
- Mainland China has started recovery in April - June, other markets in second half

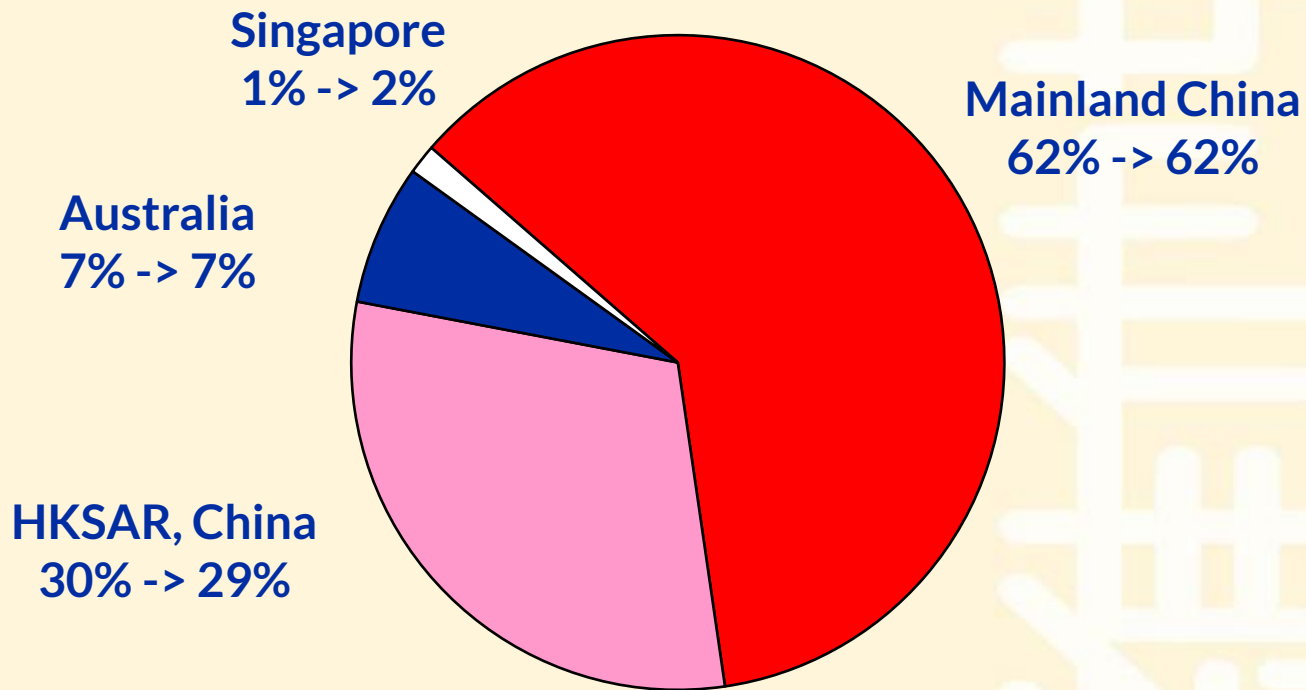
GROWTH BY GEOGRAPHY – 2H

	Mainland China	HKSAR, China	Australia	Singapore
Revenue				
HKD	-23%	-14%	-2%	+10%
Local Currency	-20%	-14%	+6%	+12%
Operating profit				
HKD	-157%	-21%	-11%	>100%
Local Currency	-154%	-21%	-5%	>100%

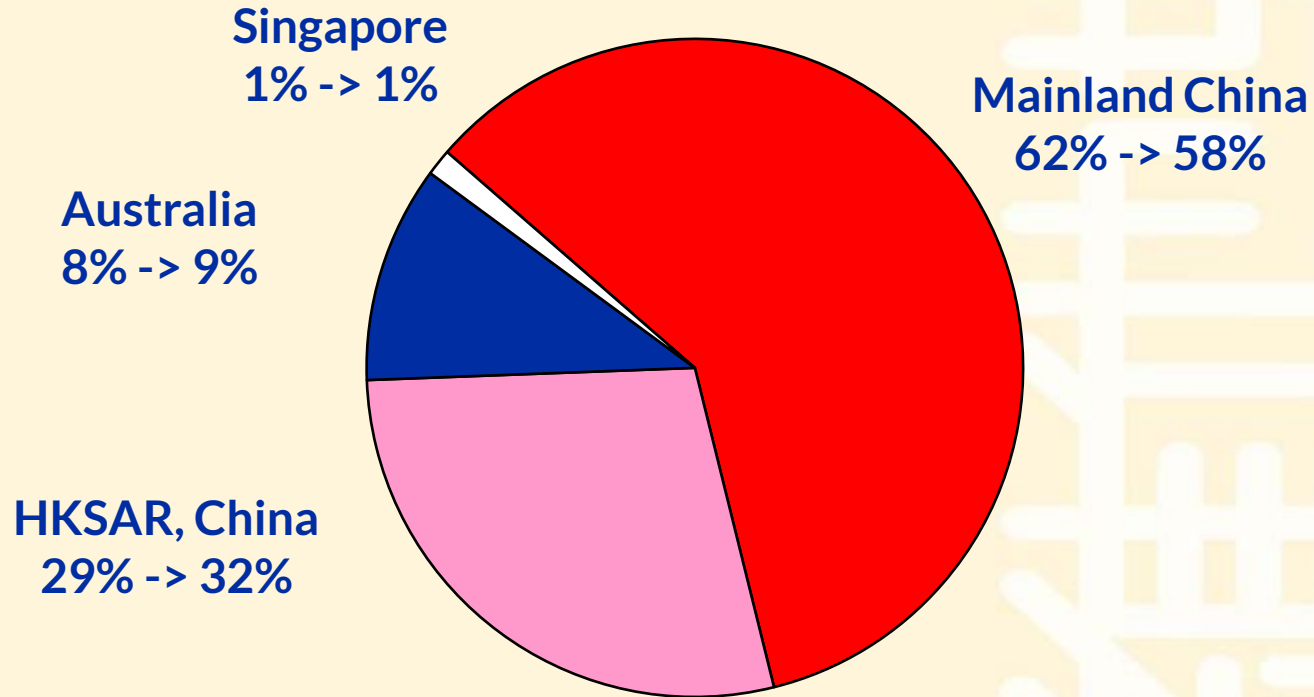
GROWTH BY GEOGRAPHY – FULL YEAR

	Mainland China	HKSAR, China	Australia	Singapore
Revenue				
<hr/> HKD	-3%	-7%	-4%	+6%
Local Currency	+1%	-7%	+3%	+8%
Operating profit				
<hr/> HKD	-27%	-14%	-17%	+473%
Local Currency	-24%	-14%	-11%	+482%

REVENUE BY GEOGRAPHY – FULL YEAR



OPERATING PROFIT BY GEOGRAPHY – FULL YEAR



Mainland
China



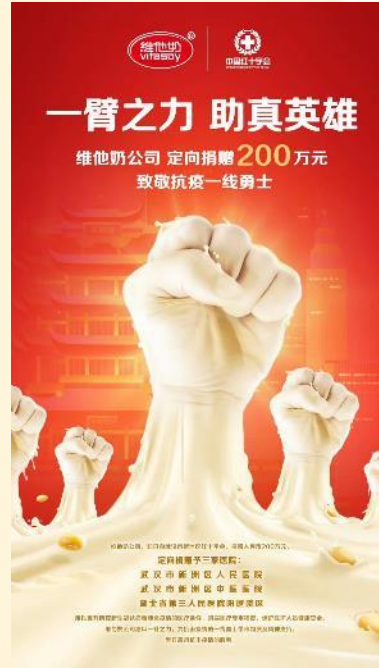
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Vitasoy
The Soy Experts

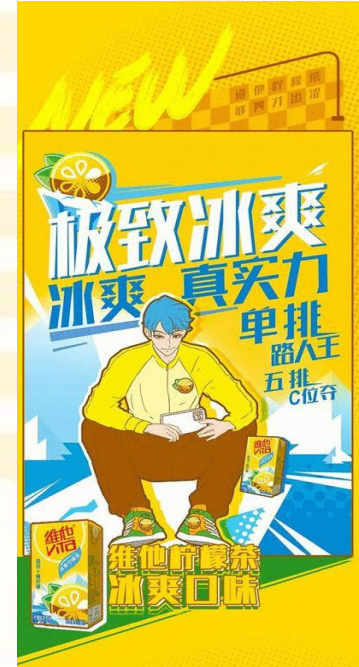
REVENUE: HK\$ 4,504M ↓ 3% (RMB ↑ 1%)

OP: HK\$ 523M ↓ 27% (RMB ↓ 24%)

- COVID19 impacted us particularly in WUHAN
- On-line and hyper/super channels performed strongly while CVS and On Premise under performed
- Grown market shares on both VITASOY and VITA
- Progressed Dongguan factory



- Continue to drive both core brands
- For VITASOY, continue to drive core execution and expand availability
- For VITA, enhance Vita Lemon Tea portfolio



HKSAR,
China



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Vitasoy
The Soy Experts

REVENUE: HK\$ 2,108M ↓ 7%

OP: HK\$ 290M ↓ 14%

- Aggravation of social unrest and COVID-19 affected November – March, bringing the Vitaland schools' business to a halt
- Continued to grow market shares in core categories of VITASOY and VITA despite the extra-ordinary events



- In FY20/21 drive core brands and core fundamentals plus selective innovation
- Pace investments to maximise productivity, whilst preparing to restore stronger growth via innovation



Australia



REVENUE: HK\$ 502M ↓ 4% (AU\$ ↑ 3%)

OP: HK\$ 77M ↓ 17% (AU\$ ↓ 11%)

- Extreme drought reduced local supply of soybeans, thus constraining production and increasing material costs
- Secured alternative source of soybeans from US, but margin would be in pressure for near terms
- Credit to innovation, still able to grow revenue and stay profitable





REVENUE: HK\$ 119M ↑ 6% (S\$ ↑ 8%)

OP: HK\$ 5M ↑ 473% (S\$ ↑ 482%)

- Sustaining leadership in TOFU
- BEVERAGES continued to grow
- Delivered strong bottom line performance as anticipated in November 2019



The
Philippines

Real soy,
Real good
for you



VITASOY GROWING IN THE PHILIPPINES

- Started local manufacturing to provide cost reductions, portfolio flexibility and customisation. COVID19 now put it on hold
- Enhanced product portfolio to grow soy category



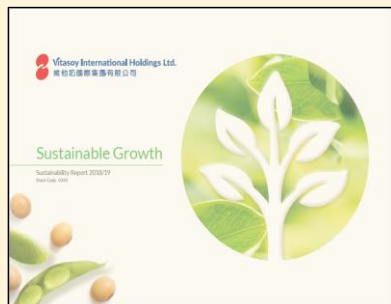


Sustainability Update

FY 2019/2020 Final Results
19/06/2020

 **Vitasoy International Holdings Ltd.**
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OUR 6TH SUSTAINABILITY REPORT



PROGRESS INCLUDED IN THE REPORT







- Progress on our Portfolio & Sustainability KPIs
- More sustainability related policies approved
 - Climate Change
 - Health and Product Nutrition
 - Food Safety
 - Non-GM
- Early compliance on HKEX new ESG reporting requirements
- Adopted international reporting standard
 - GRI
 - Task Force on Climate-related Financial Disclosures

PORTFOLIO – AHEAD OF OUR KPIS

KPIs	Glidepath & Goals				
	2017/18	2018/19	2019/20	2020/21 Goal	2025/26 Goal
✓ Plant-based beverages	89%	90%	91%	Maintain ≥90%	Maintain ≥90%
✓ Nutritious plant milk beverages	90%	93%	96%	Maintain ≥95%	Maintain ≥95%
✓ “Low fat”, “low saturated fat and zero trans fat” beverages	92%	93%	94%	Maintain ≥93%	Maintain ≥93%
✓ Sugar: Moderate - zero beverages	68%	76%	80%	76%	82%

*All KPI percentages are rounded-off to whole number

PORTFOLIO – PACKAGING PERFORMANCE

Packaging Type	Progress
<p data-bbox="59 353 175 386">Carton</p> 	<ul data-bbox="755 331 1846 412" style="list-style-type: none"> • 100% FSC paper from sustainably managed forests • Launched pilot for carton recycling programme (HKSAR, China)
<p data-bbox="59 547 175 579">Plastic</p> 	<ul data-bbox="755 547 1746 579" style="list-style-type: none"> • 100% recycled PET bottle on VITA Water (HKSAR, China)
<p data-bbox="59 710 156 743">Glass</p> 	<ul data-bbox="755 710 1470 743" style="list-style-type: none"> • Sustained our internal recycle rate >90%
<p data-bbox="59 863 247 896">Aluminium</p> 	<ul data-bbox="755 863 1827 896" style="list-style-type: none"> • High quality packaging to sustain high value and recycling rate

ENERGY – SLIGHT SET BACK AMID COVID-19

KPIs	Glidepath & Goals				
	2017/18	2018/19	2019/20	2020/21 Goal	2025/26 Goal
Less water to manufacture each unit of product (vs 2013/14 base: 5.076kg per 1kg)	-17.7%	-13.9%	-15.8%	-20%	-25%
Less fuel to manufacture each unit of product (vs 2013/14 base: 0.284kWh per 1kg)	-16.9%	-15.8%	-15.4%	-20%	-25%
Less electricity to manufacture each unit of product (vs 2013/14 base: 0.112kWh per 1kg)	-15.8%	-14.0%	-11.1%	-20%	-25%
Okara recycling rate*	97.8%	95.5%	99.4%	≥99%	≥99%



*Repurposed as animal feed

All KPI percentages are rounded-off to one decimal place

OUR SUSTAINABILITY FRAMEWORK



Providing tasty, sustainable plant-based nutrition

Making The Right Products

Making Products The Right Way

PORTFOLIO

PACKAGING

MANUFACTURING

SUPPLIERS

WORKPLACE

COMMUNITY



Plant-based

Increase plant-based beverage offerings

2019/20 Result

91%

Minimum $\geq 90\%$ Maximum $\geq 90\%$

2020/21 Goal 2025/26 Goal



Nutritious Plant Milk

Increase nutritious plant milk beverage offerings

2019/20 Result

96%

Minimum $\geq 95\%$ Maximum $\geq 95\%$

2020/21 Goal 2025/26 Goal



Low Fat

Increase "low fat" or "low saturated fat and zero trans-fat" beverage offerings

2019/20 Result

94%

Minimum $\geq 93\%$ Maximum $\geq 93\%$

2020/21 Goal 2025/26 Goal



Moderate to Zero Sugar

Increase "moderate to zero sugar level" beverage offerings

2019/20 Result

80%

76% 82%

2020/21 Goal 2025/26 Goal



Carton Paper

Increase fresh-keeping laminated carton pack with FSC label

2019/20 Result

100%

100% 100%

2020/21 Goal 2025/26 Goal



Glass

Glass bottle recycling rate

2019/20 Result

93%

$\geq 90\%$ $\geq 90\%$

2020/21 Goal 2025/26 Goal



Plastics

Weight reduction

Pilot bio-based PET

Implement recycled PET



Water

Reduce water used to manufacture each unit of product against 2013/14 level

2019/20 Result

-15.8%

-20% -25%

2020/21 Goal 2025/26 Goal



Electricity

Reduce electricity used to manufacture each unit of product against 2013/14 level

2019/20 Result

-11.1%

-20% -25%

2020/21 Goal 2025/26 Goal



Fuel

Reduce fuel used to manufacture each unit of product against 2013/14 level

2019/20 Result

-15.4%

-20% -25%

2020/21 Goal 2025/26 Goal



Carbon Footprint

Scope 1 + 2 emission intensity

2019/20 Result

0.126

kgCO₂e per kg

2020/21 Goal 2025/26 Goal



Waste

Maintain okara (soy residual) recycling rate at or above 99%

2019/20 Result

99.4%

$\geq 99\%$ $\geq 99\%$

2020/21 Goal 2025/26 Goal



Supplier Management

Supplier Responsibility Principles

Responsible Procurement Policy

Non-GM Policy

Sustainable Farming Guidelines



Inclusive Workplace

Gender ratio

Female **42%** Male **58%**

Lost time injury rate

2019/20 **0.69** vs 2014/15 **1.32**

Average training hours per employee

11.2 p.a.

2020/21 Goal 2025/26 Goal



Community Engagement

Vitasoy Beverage Carton Clean Recycling Education Programme

Vitasoy University Grant in Mainland China

Vitasoy Nutrition Exploration Journey: partnership with St. James' Settlement in HK



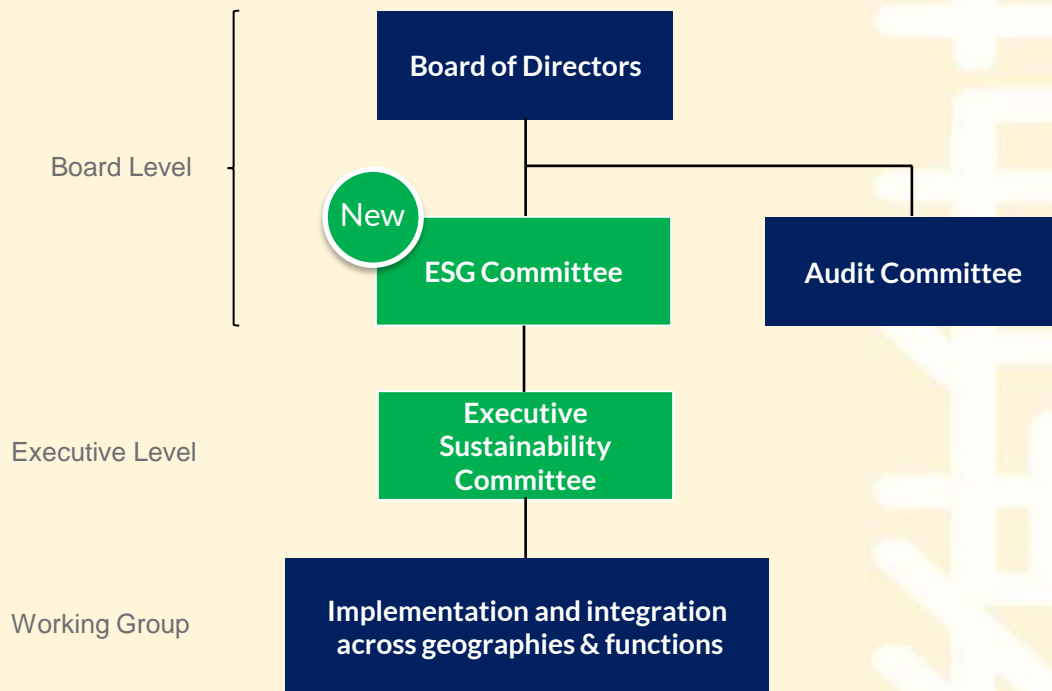
United Nations Sustainable Development Goals (SDG) icons associated with individual KPIs indicate sustainable development targets that motivate our own corporate goals and business activities. © Vitasoy (results that have surpassed 2020/21 goals)

PROGRESS IN EXTERNAL ESG RATINGS

Sustainability Ratings		2017	2018	2019	
	 Hang Seng Corporate Sustainability Index Series	56.7 / 100	61.3 / 100	64.8/100	HKSAR, China Top 30 Hang Seng Corporate Sustainability Index
New	 Most Sustainable Corporations in the World GLOBAL100	N/A	N/A	52.7/100	Global Top 100
New	 Dow Jones Sustainability Indices In Collaboration with RobecoSAM	N/A	N/A	47/100	F&B Ranked 27/115
	 SUSTAINALYTICS	54 / 100	60 / 100	65/100	F&B Ranked 43/181
New	 CDP DRIVING SUSTAINABLE ECONOMIES	N/A	N/A	D	
New	 MSCI	N/A	N/A	BBB	

PROGRESS IN INTERNAL GOVERNANCE

- Newly set up a Board-level ESG Committee



IN SUMMARY

- Net of FX impact, full year revenue/operating profit was -1%/-25%
- Underlying business strength is solid, as shown by growing market shares
- Employees and infrastructure protected. Innovation pipeline is strong
- Another year of major progress in Environment, Social and Governance (ESG) KPIs

- In FY2020/21, we are pacing investments and reducing costs
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Questions & Answers

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