



Malee Group Public Company Limited

Q3/2017 Opportunity Day

13 November 2017

DISCLAIMERS

The information contained herein is intended to represent the Company's operating and financial position at a given point in time and may also contain forward looking information which only reflects expectations based on the prevailing geo-political, economic and non-controllable factors. Such information has been obtained from sources believed to be most reliable and the means in analyzing and preparation of such information for disclosure are based on approve practices and principles in the investment industry. The views are based on assumption subject to various risks and uncertainties and no assurance is made as to whether such future events will occur. No assurance is made as to the accuracy or completeness of information presented in this document.

Please note that the Company has agreed that any all information in connection with CMG products and manufacturing activities shall be kept strictly confidential and not be disclosed to any third party.



AGENDA

Company Overview

Business Update

Results of Operations and Profitability

Forward Looking



Group Structure

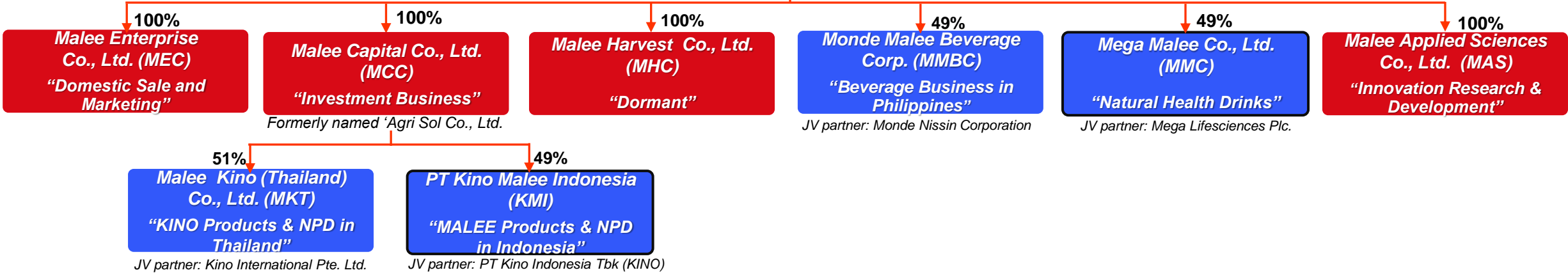
Subsidiary

Joint Venture

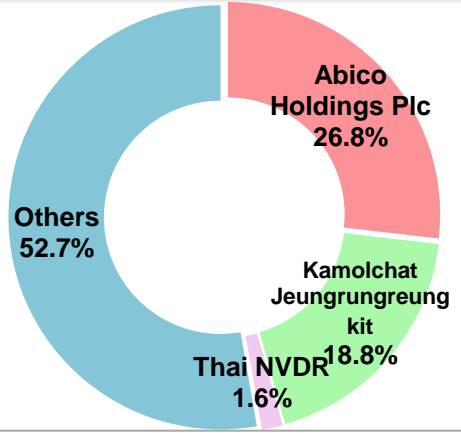
Overseas Entity



A leading manufacturer and distributor of fruit juices, beverages, and canned fruits in Thailand



Shareholding Structure (As of 25 August 2017)



Share Information (As of 9 November 2017)

Stock Symbol:	MALEE
Industry and Sector:	Agro & Food Industry / Food and Beverage
No. of Listed Shares:	280,000,000 Shares
Registered Capital:	THB 140,000,000
Paid-up Capital:	THB 140,000,000
Par Value:	THB 0.50 per Share
Listing Date:	13 March 1992
Foreign Limit:	49% (available 41.7%)
Dividend Policy:	Not less than 50% of the net profit from normal operation according to consolidated financial statement after deduction of tax revenue and legal reserve (with additional conditions)
Market Capitalization:	12,810 MB or 387 MUSD
Free Float:	48.45%

Milestones

On 2 February 1978, Malee Sampran Factory Co., Ltd. was established with capital of 10MB as a manufacturer and distributor of canned food and canned fruits.

On 3 March 1992, MALEE was listed on the Stock Exchange of Thailand (SET).

On 15 May 1998, the Company's name was changed to Malee Sampran Plc.

- On 12 January 2017, the Company set up a new subsidiary named Malee Applied Sciences Co., Ltd. (MAS)
- On 30 October 2017, the Company signed a joint venture agreement with PT Kino Indonesia tbk (KINO) to set up 2 joint venture companies in Thailand and Indonesia.



The Company expanded its production base on the land of 30 rais in Sampran District, Nakhon Pathom Province.

In April 1995, Abico Holdings Plc acquired 40% from the existing shareholders.

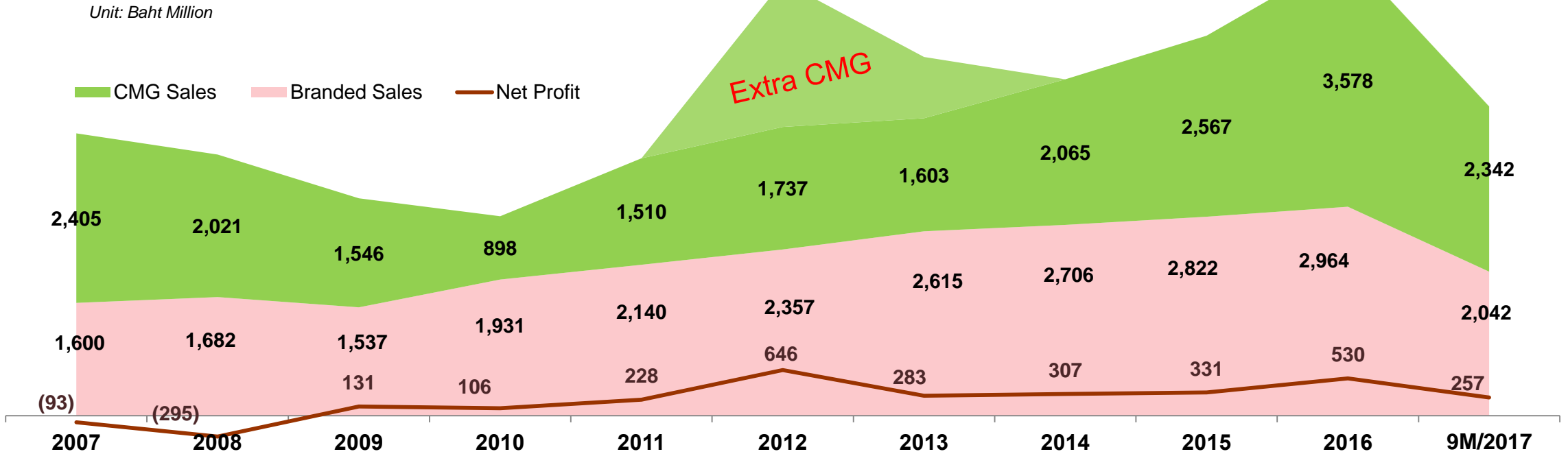
- In Q1/2016, MALEE, together with Monde Nissin Corporation (MNC) set up a joint venture company in the Philippines named Monde Malee Beverage Corporation (MMBC)
- On 12 May 2016, the Company's name was changed to Malee Group Plc
- On 22 August 2016, the Company signed a joint venture agreement with Mega Lifesciences Plc (MEGA) to develop natural health-focused RTD products.

Historical Performance

- Prior to 2009, major contribution of CMG was from canned fruits.
- Discontinued the canned pineapple production in 2009 and canned sweet corn in 2013.

2012-2013: Benefit from the great flood

2016: Historical Highest Sales



CMG: Contract Manufacturing

Malee Brand Portfolio

Malee

Daily Nutrition



Malee 100% Juice UHT



Malee 100% Juice Pasteurize



Malee Coco



Malee Nutrient



Malee i-Corn

Functionality



Malee Healthi Plus



Malee Light

Tactical



Malee Food Service



Malee Tropical



Malee Canned Fruit

Canned Fruit



First Choice



Farmer

OTHERS

Dairy Product

Chokchai Farm



UHT



Pasteurize



Canned Sweetened Condensed Non Dairy Creamer

Other Beverages



TurBusta Maxx



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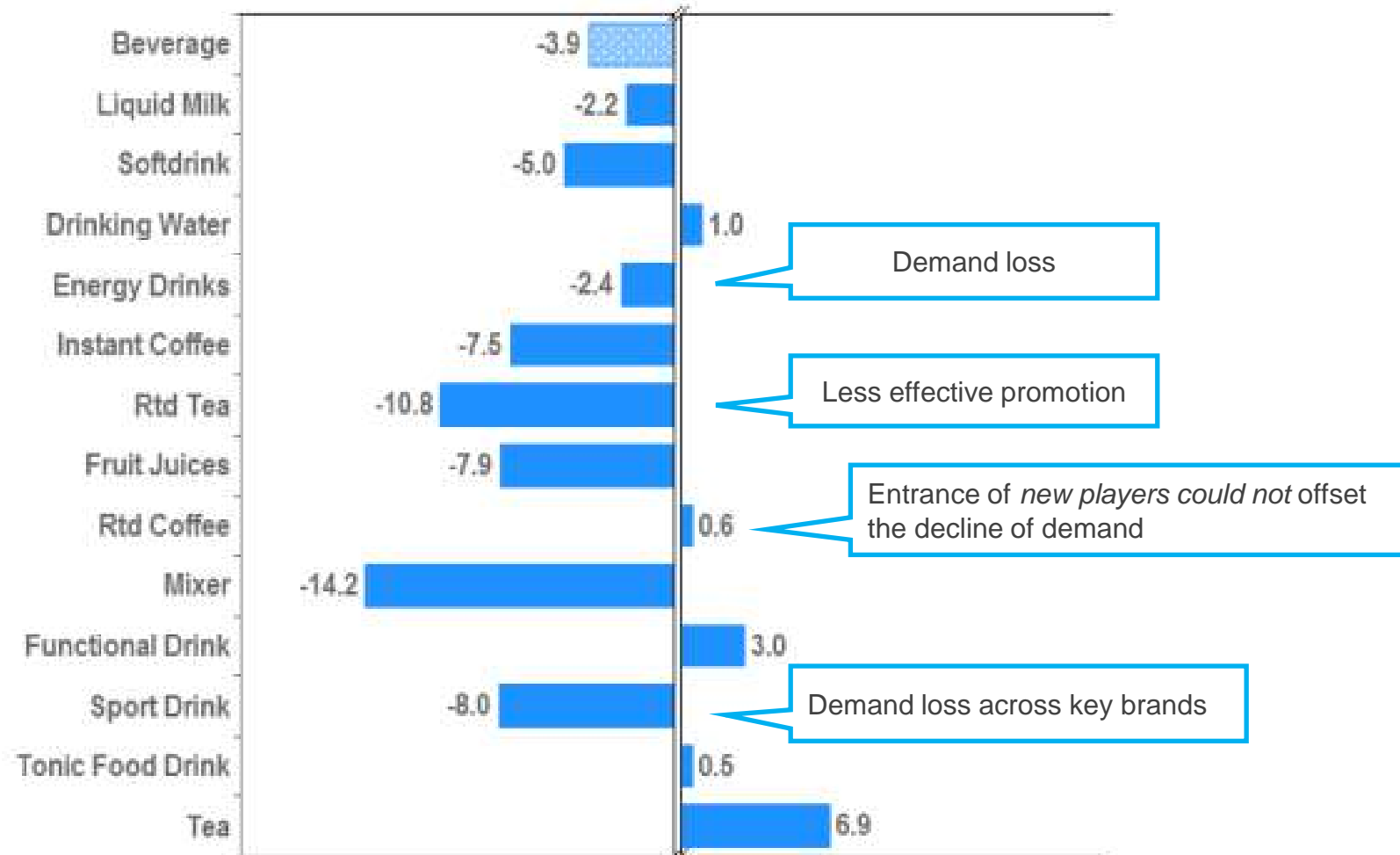
Forward Looking



Domestic Beverage Market

MAT Sep 2017 Overall Beverage Market Dropped 3.9% YoY

Beverage reflects downward trend across categories, but demand loss remains an issue.

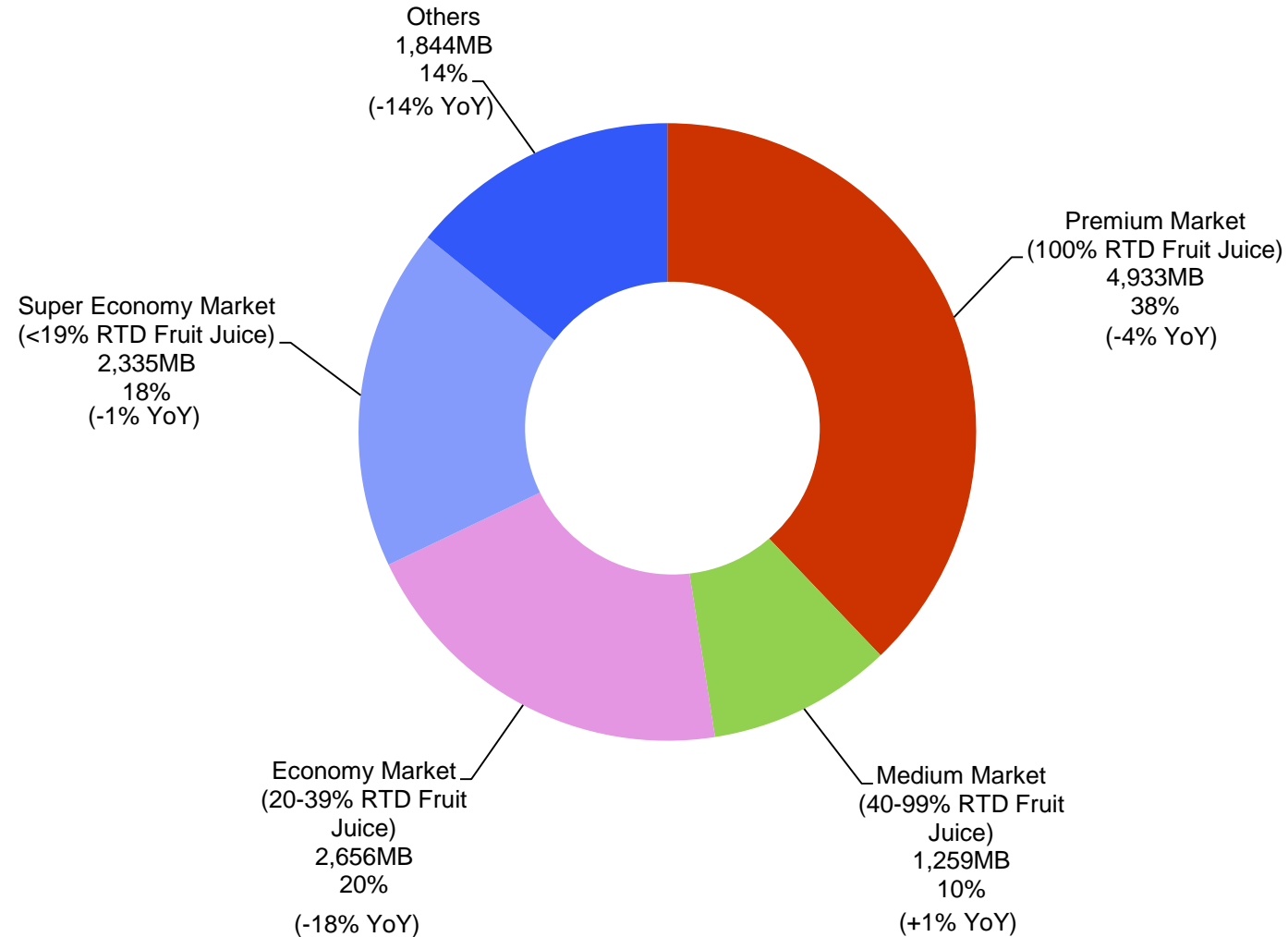


Source: Nielsen



Domestic RTD Fruit Juice Market

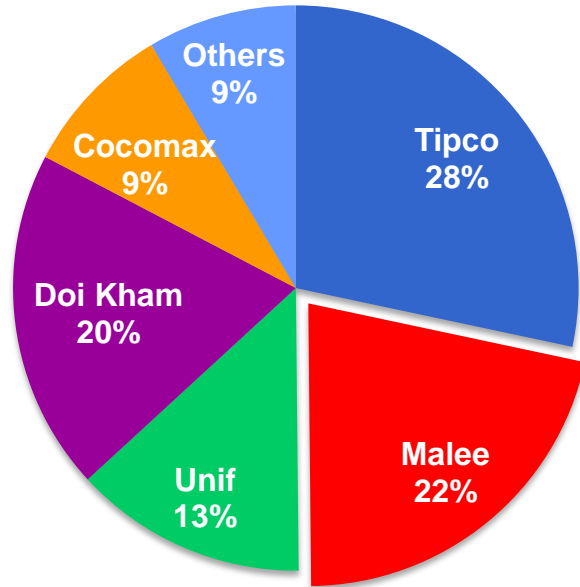
MAT Sep 2017 Market Value of 13,026 MB, a Decrease of 8% YoY



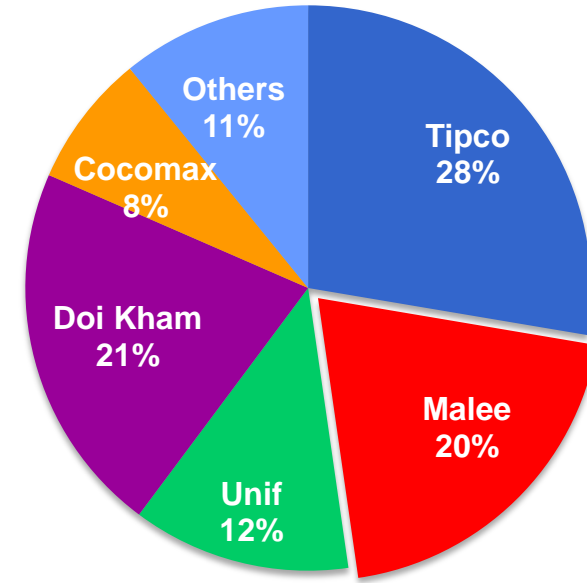
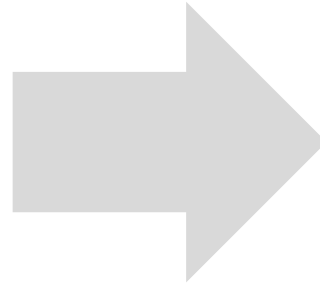
Source: Nielsen

Domestic RTD Premium Fruit Juice UHT Market Share

MAT Sep 2017 Market Value of 4,622 MB, a Decrease of 2% YoY



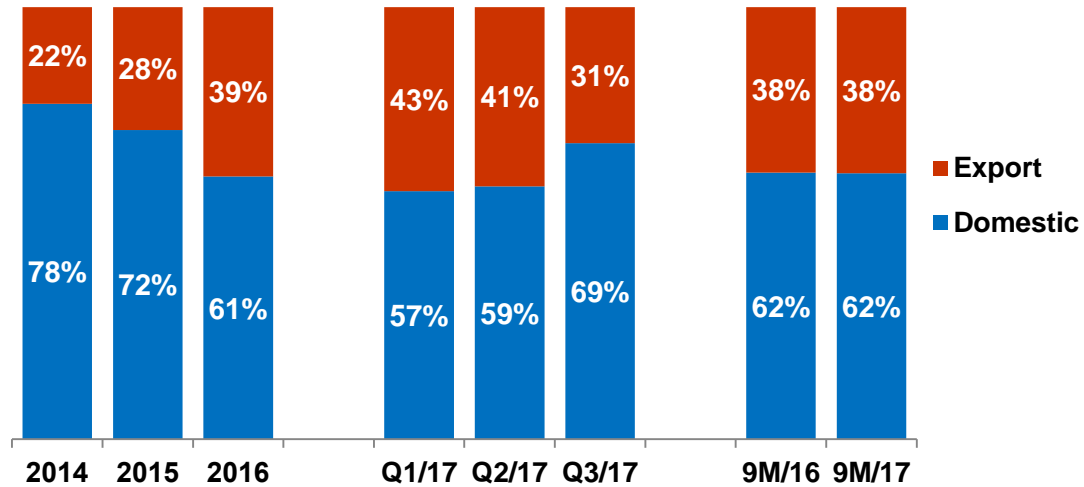
MAT Sep 2016



MAT Sep 2017

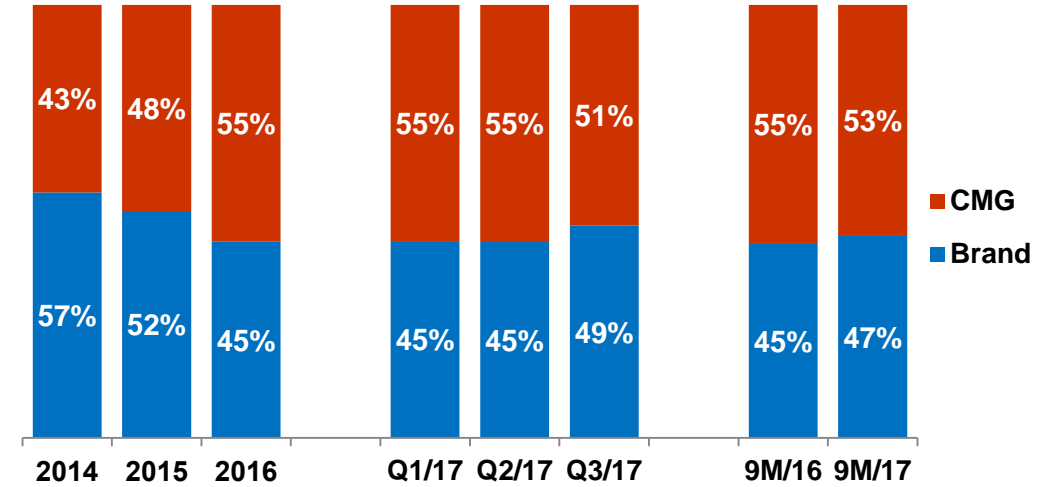
Source: Nielsen

Domestic : International Business



- Q3/2017 Domestic sales growth was +2 YoY.
- Q3/2017 Export sales growth was -38% YoY.

Brand : Contract Manufacturing



CMG: Contract Manufacturing

- Q3/2017 Brand sales growth was -1% YoY.
- Q3/2017 CMG sales growth was -25% YoY.

Domestic Business – New Packaging Launch

Malee[®]

Malee



AWARENESS

Full media support both online and offline
New TVC
Press conference



DRIVE SALES

Nationwide extra display
Roadshow both in-store and off-store
Free sampling/Demo tasting
Special trendy pack / Special Premium



ENGAGEMENT

Engage activity to invite customers to be apart of our life style activities; concert, movie, online game



MALEE NUTRIENT

ALMOND MILK

2 FLAVORS (ORIGINAL, HONEY & VANILLA)

180 ML. IN TETRA LEAF

KEY SELLING POINT

HIGH CALCIUM 2X

HIGH VITAMIN B

ANTIOXIDANT

BEST QUALITY OF PREMIUM ALMOND FROM

AUSTRALIA

100% NATURAL

Launched in Aug 2017

MALEE's Sales Territory

N. AMERICA

Canada

EUROPE

Russia
Germany
Poland

EAST ASIA

China
Hong Kong
Macau
Japan
S. Korea
N. Korea

SOUTH EAST ASIA

Thailand
Cambodia
Myanmar
Laos
Vietnam
Malaysia
Philippines
Indonesia

OCEANIA

Australia

We have the strongest brand presence and/or traction in the these countries:

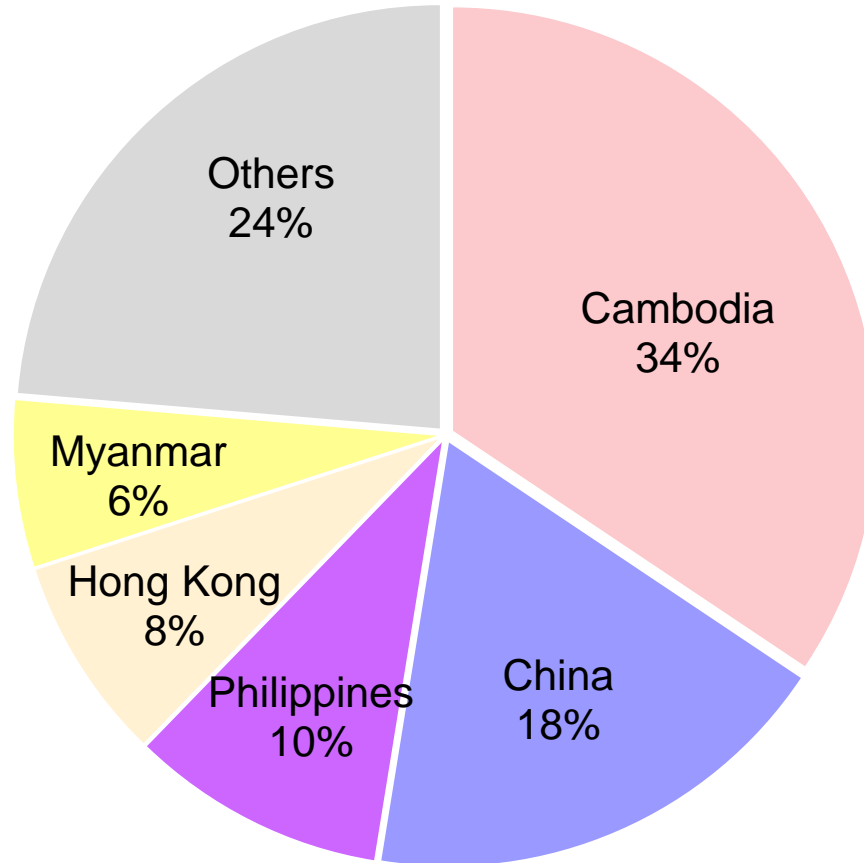
Thailand
Laos
Cambodia
Myanmar
China

Our brand awareness is strongest in our neighboring countries.

Approx. population of SEA is 650 million people, plus China of 1.3 billion people

9M/2017 Branded Export Grew 35% YoY

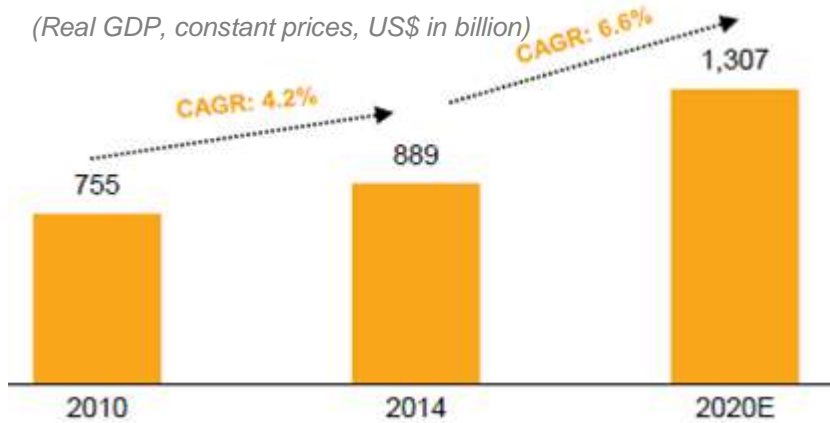
Q3/2017 Branded Export Grew 60% YoY



Why Indonesia

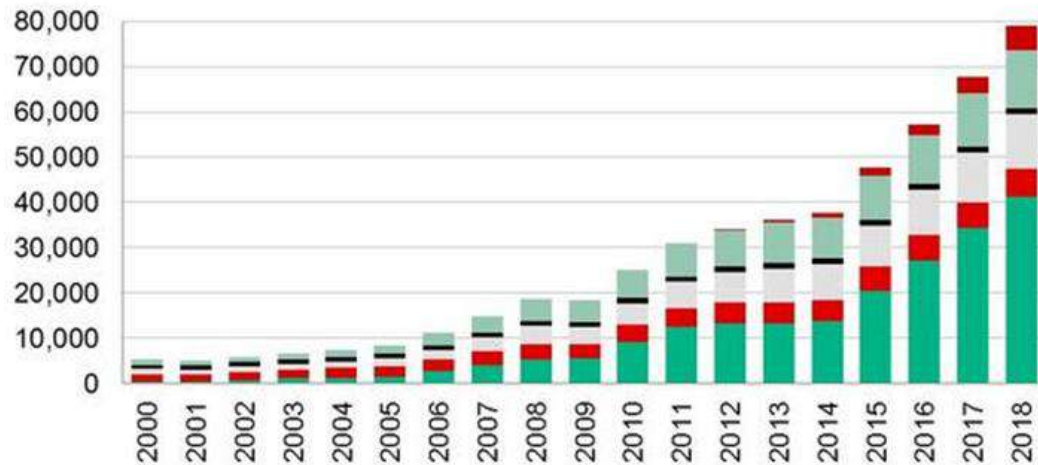
Fast Growing Economy

(Real GDP, constant prices, US\$ in billion)



Source: KINO

Rising Middle Class

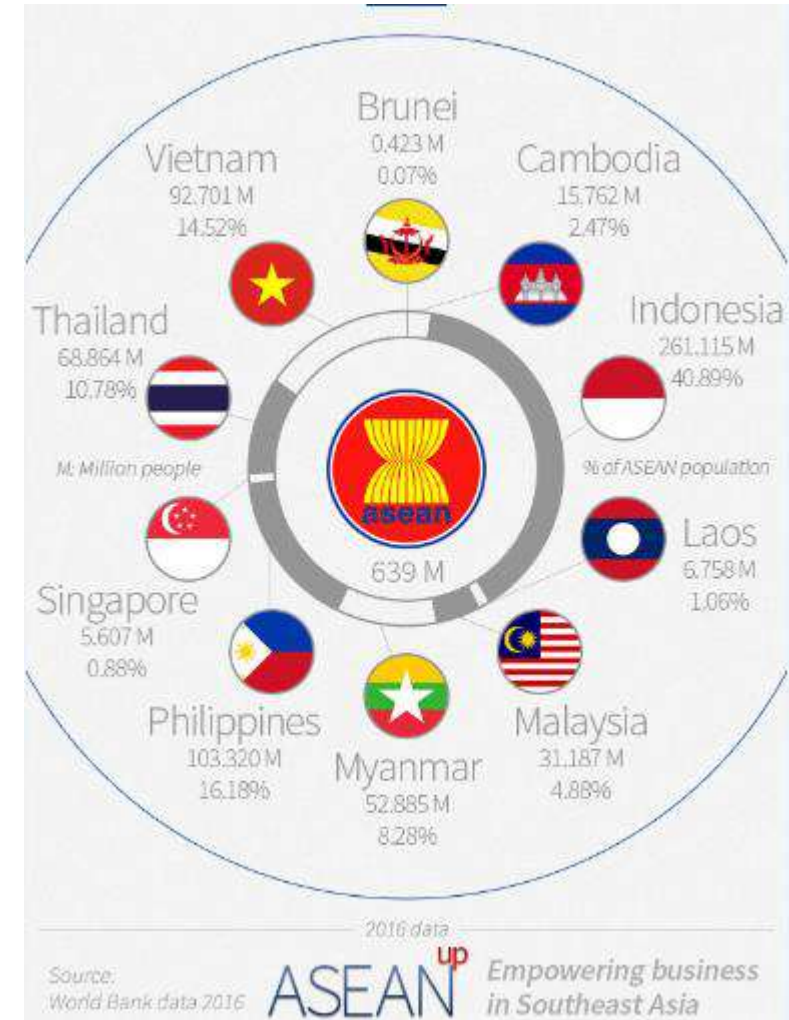


■ Indonesia ■ Malaysia ■ Philippines ■ Singapore ■ Thailand ■ Vietnam

Number of households earning more than US\$10K a year, '000s.

Source: www.scoonest.com

More than 260 Million Population



Source: World Bank data 2016

ASEAN up Empowering business in Southeast Asia



New JV Partner: PT Kino Indonesia Tbk (KINO) -- one of the leading FMCG businesses in Indonesia

Personal care

- Hair care
- Skin care
- Feminine hygiene
- Children's personal care and baby cleanser
- Fragrance
- Male grooming
- Cosmeceutical

Beverages

- Remedy drinks
- Energy drinks
- Herbal drinks

Food

- Confectioneries
- Powdered drinks
- Snacks

Pharmaceuticals

- Herbal cough remedy
- Balm
- Traditional herbal medicine/Jamu

- Total distribution points of sale: 1,161k** (28% direct / 72% indirect coverage) with 31 distribution centers countrywide
- 2016 Beverage Market Value in Indonesia grew by 8.5%, compared with 7.5% growth in 2015.

1 in hair vitamin (80% market share – Ellips)	1 in Baby Accessories Cleanser (73% market share) ⁽¹⁾
1 in 2-in-1 facial cleanser (62% market share)	1 in kids' personal care (39% market share)
1 in intimate hygiene (44% market share)	1 in remedy drinks (33% market share)

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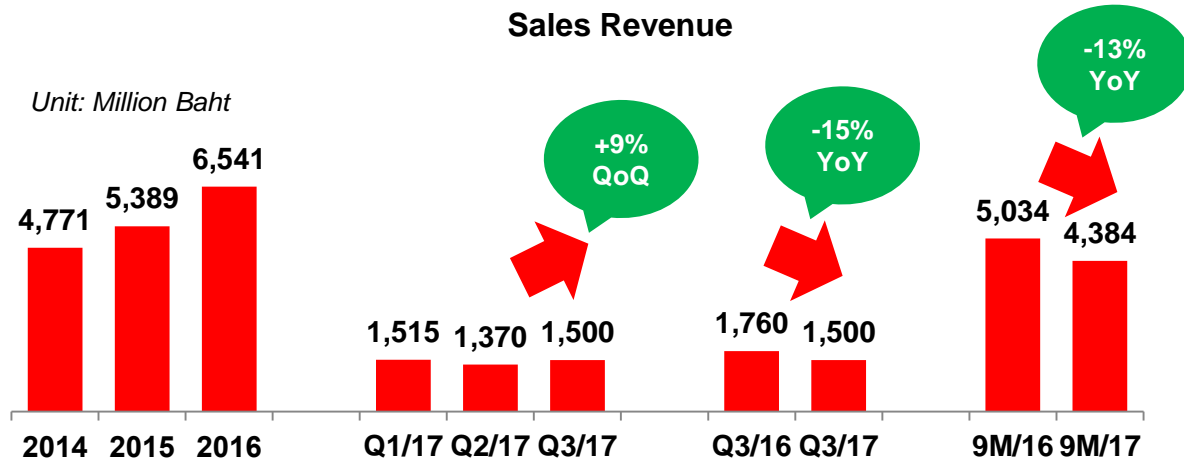
Forward Looking



Financial Highlights

Sales Revenue

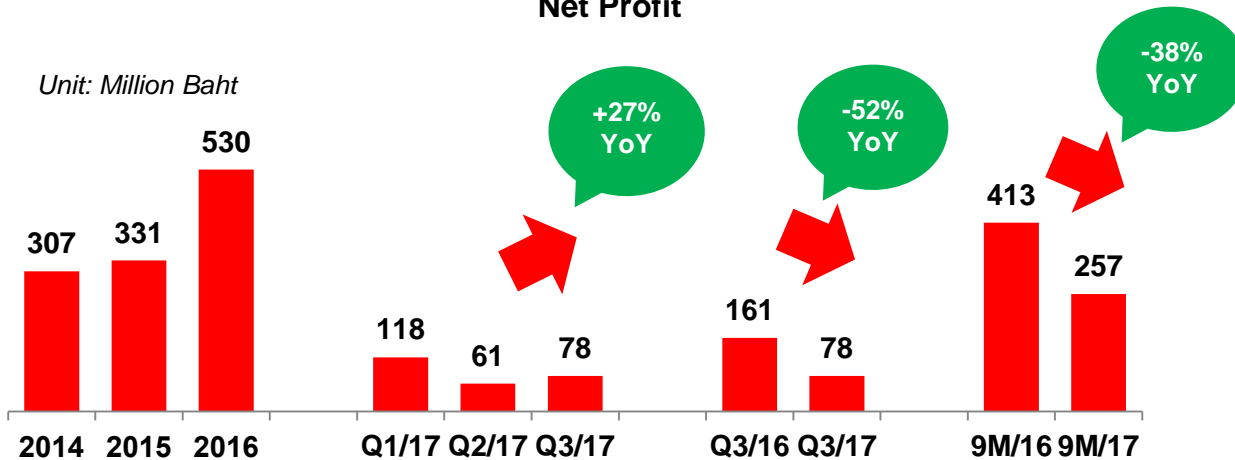
Unit: Million Baht



- Q3/2017 sales decreased by 15% YoY due to the slowdown in domestic branded sales and export CMG sales. On the other hand, export branded sales continued to grow remarkably by c.60% YoY, while domestic CMG sales are back on track for growth from sales recovery plus good response of new product.
- Q3/2017 sales grew 9% QoQ due to an increase in domestic branded sales from new packaging launch, new crop season for canned fruit production, domestic CMG sales recovery plus good response of the new product, and continual growth of export branded sales.

Net Profit

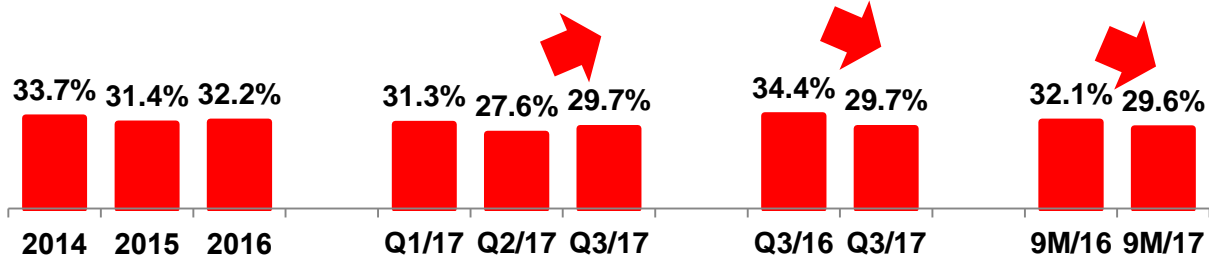
Unit: Million Baht



- Net profit in Q3/2017 decreased by 52% YoY due to 1) higher cost per unit resulted from lower capacity utilization; and 2) higher depreciation resulted from additional investment in machinery to improve production efficiency and reduce production cost, in order to prepare for an increased level of production.
- Q3/2017 net profit rebounded remarkably 27% QoQ due to sales recovery in almost every segment, while cost per unit decreased QoQ due to higher capacity utilization and improved cost management.

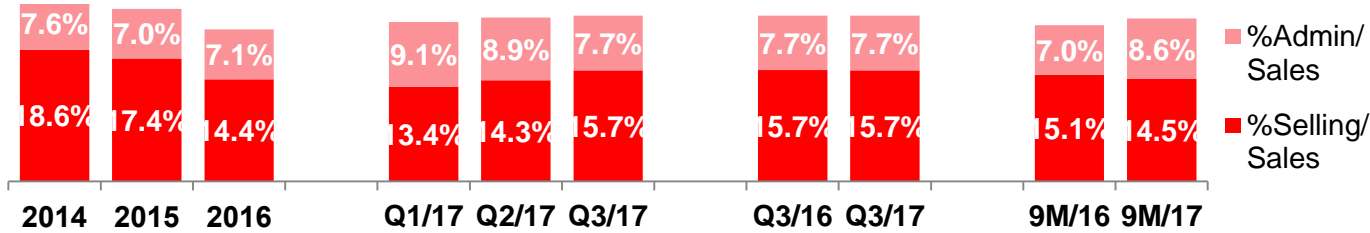
Profitability Margin

%Gross Profit Margin



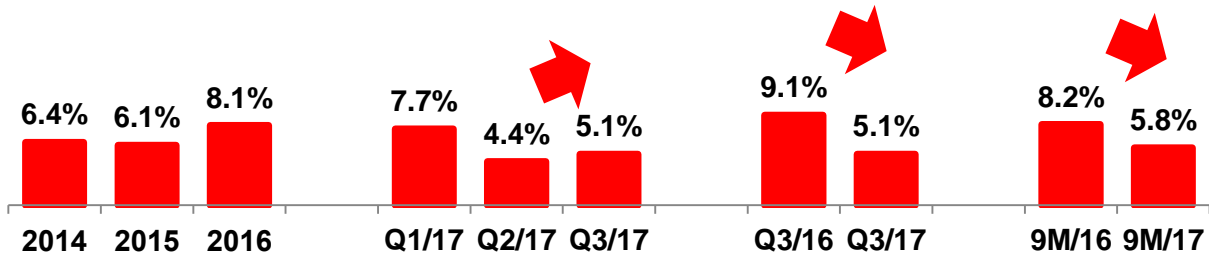
- Lower Q3/2017 and 9M/2017 %GPM YoY was due to lower capacity utilization as well as higher depreciation resulted from additional investment in machinery to improve production efficiency and reduce production cost, in order to prepare for an increased level of production for future sales growth.
- On the other hand, %GPM improved QoQ as a result of higher sales and lower cost per unit due to higher utilization and improved cost management.

%SG&A to Sales



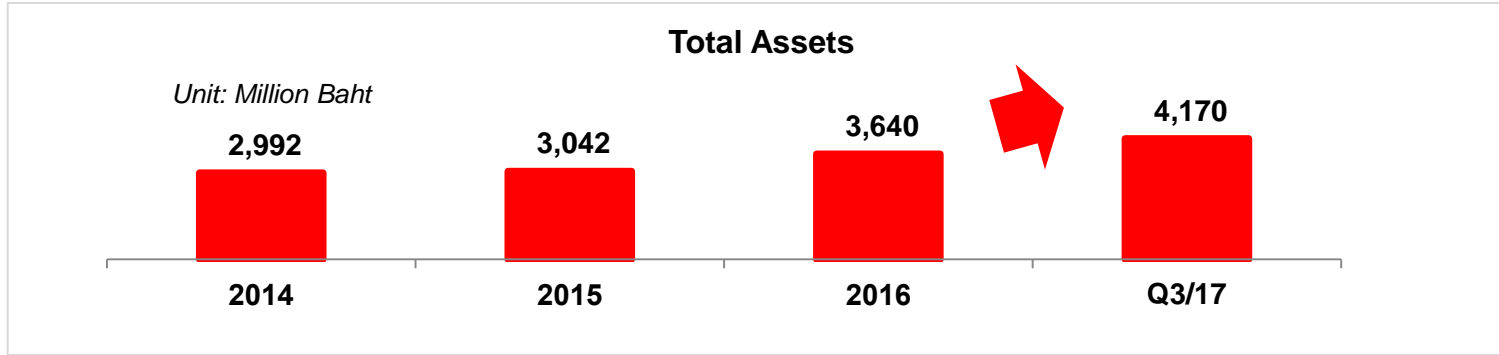
- Higher Q3/2017 selling expenses to sales QoQ was mainly due to new packaging launch and marketing campaign expense.
- Higher 9M/2017 administrative expenses to sales was due to higher personnel expenses to prepare for the upcoming aggressive growth in the future, gradual improvement of employee benefits as well as higher R&D expenses for new product development.

%Net Profit Margin

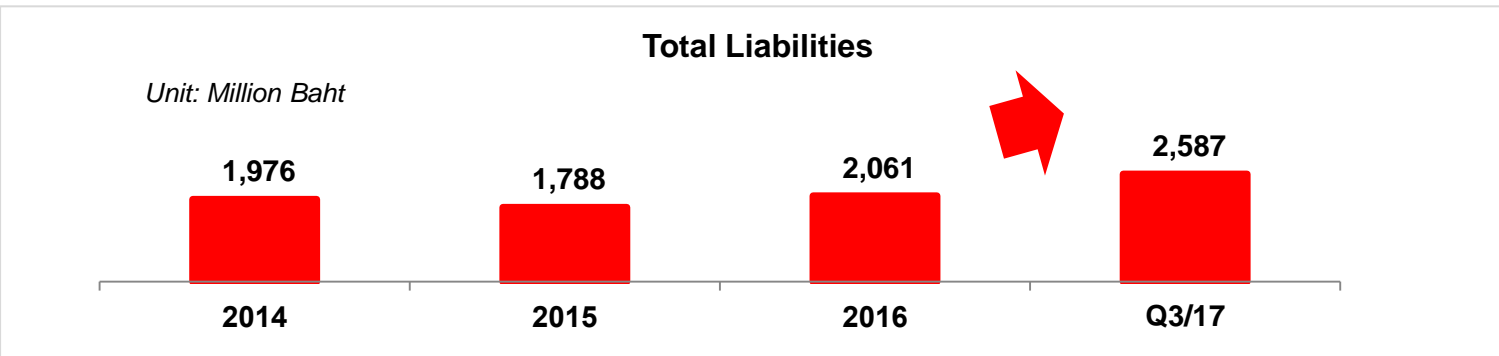


- Lower Q3/2017 and 9M/2017 %NPM YoY was mainly due to 1) higher cost per unit resulted from lower capacity utilization and 2) higher depreciation resulted from additional investment in machinery to improve production efficiency and reduce production cost, in order to prepare for an increased level of production in the future.
- %NPM rebounded QoQ due to sales recovery in almost every segment resulted in higher capacity utilization as well as improved cost management.

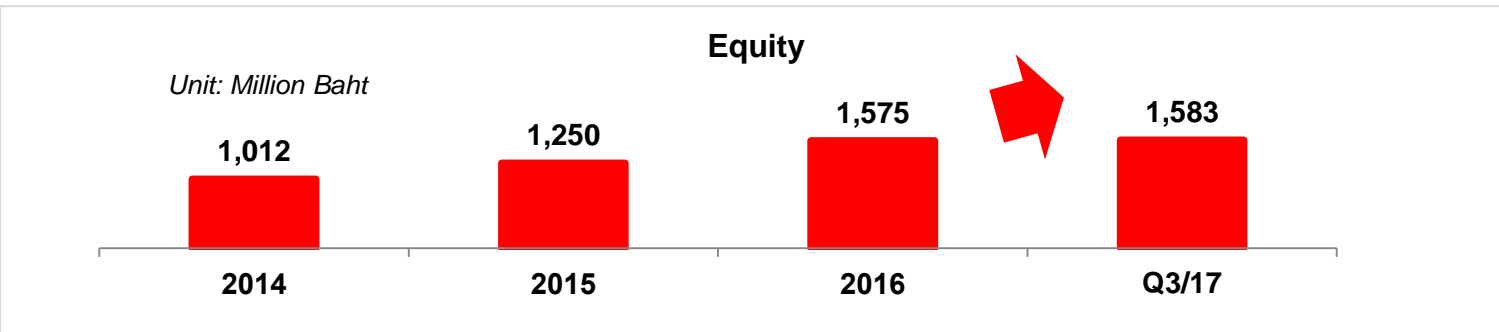
Statements of Financial Position



- Increased total assets were mainly resulted from higher trade receivables and inventories as well as additional investment in machinery to improve production efficiency and reduce production cost, in order to prepare for increased level of production in the future.

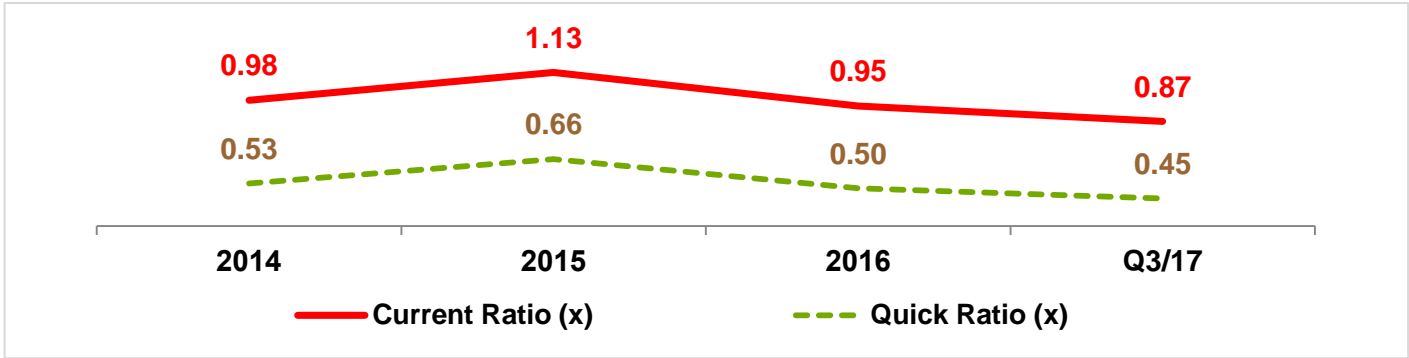


- Increased liabilities were mainly due to higher trade payables resulted from the purchase of raw materials and packaging materials for the new crop season of canned fruit production as well as an increase in loans from financial institutions for the use of the Company's working capital and capital expenditure.

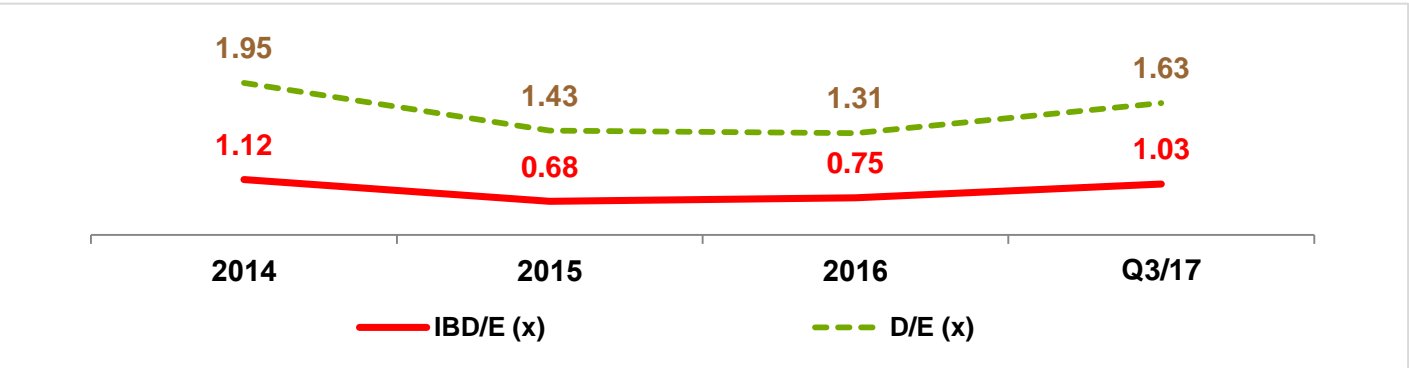


- Increased equity of parent Company's shareholders slightly increased by 1% as a result of operating profit during the year as well as interim dividend payment.

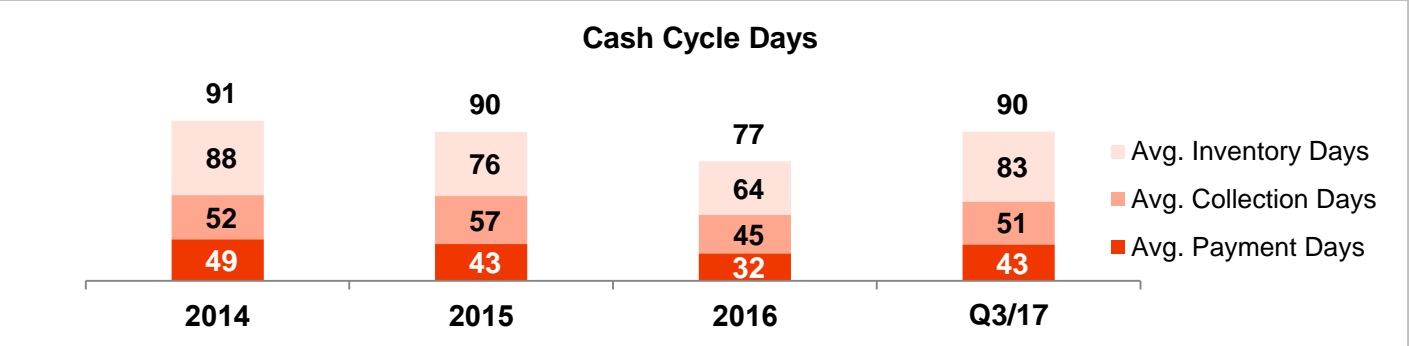
Liquidity



- Lower current ratio and quick ratio was mainly resulted from increased trade payables as well as short-term borrowings from financial institutions for the use of the Company's working capital.

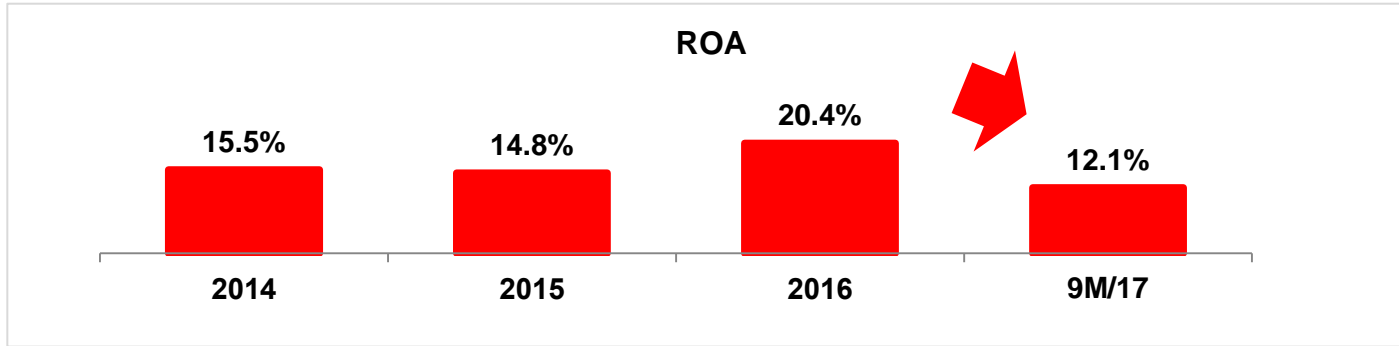


- Increased IBD/E was due to higher borrowings and liabilities under financial lease agreements for the use of the Company's working capital and capital expenditure.
- Increased D/E was resulted from the same reasons as higher IBD/E plus higher trade payables resulted from the purchase of raw materials and packaging materials for the new crop season of canned fruit production

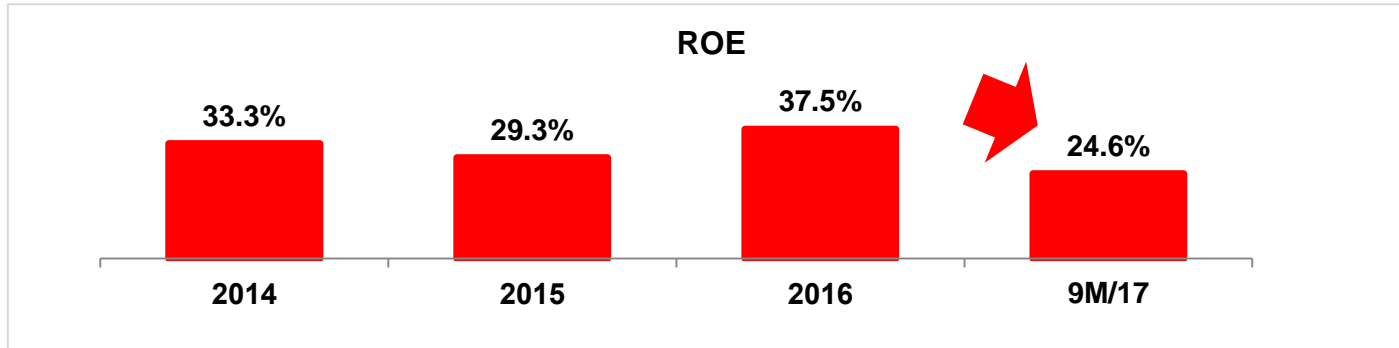


- Extended cash cycle days was resulted from longer A/R days due to higher portion of domestic sales whose trade term is longer, while extensive inventory days was caused by the new crop season of canned fruit production.
- Longer A/P days was mainly owing to the raw materials and packaging materials purchase for the new crop season of canned fruit production.

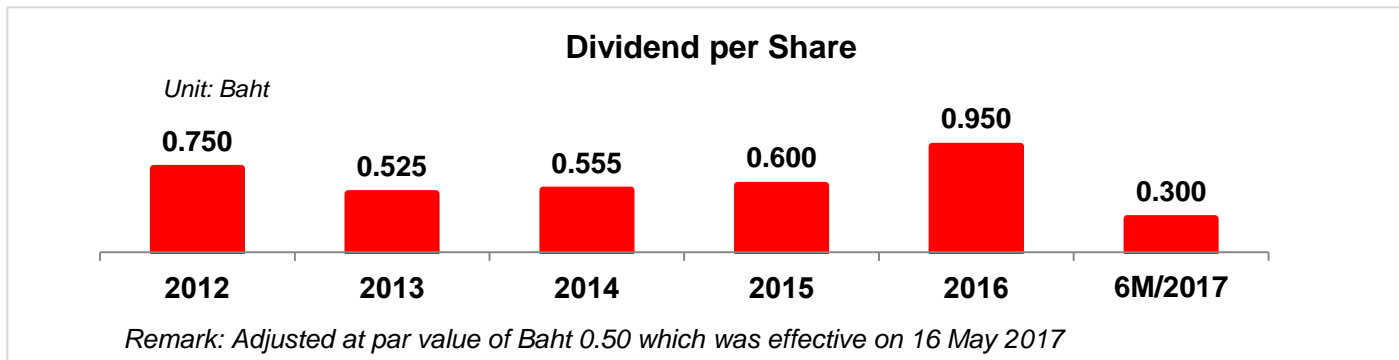
Return to Shareholders



- Lower ROA was due to lower earnings but increased assets, as a result of additional investment to improve production efficiency and reduce production cost, in order to prepare for increased level of production in the future.



- Lower ROE was mainly due to lower earnings, as a result of higher fixed costs from various key investments as a preparation for the Company's future growth, while sales are not generated immediately.



- The Company has a policy to pay dividend not less than 50% of the net profit from normal operation according to consolidated financial statements after deduction of tax revenue and legal reserve (with additional conditions).
- The Company normally pays dividend twice a year.

AGENDA

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Our 9-Year Strategy

Phase 1 2015 - 2017

Building and Strengthening Organization and Foundation

- Brand / Product Repositioning
- Organizational Restructuring
- New Business Model Formulation
- Infrastructure Readiness and Development
- Technology-driven Organization

Phase 2 2018 - 2020

Sprinting Business Performance

- Top of Mind on Product Champion / Brand Awareness
- Business / Market Portfolio Balancing
- Inorganic Business Diversification
- Accelerating Financial Performance

Phase 3 2021 - 2023

Sustaining Business with Global Presence

- Excellence in Business, Operations and Finance
- Business and Organization Expansion

REBRAND



- Brand Identity
- Brand Concept “Growing well together”
- Product Portfolio

RECONNECT



- Strategic Partners



REORGANIZE

- Capability and Skill
- New Function
- Motivation



RENOVATE

- Master Plan
- New Machine / Technology
- IT
- New Office

Effective on 16 September 2017

Excise Tax

Carbonated Drink = 14% / Energy Drink = 14% / Soda = 14%
 Vegetable and Fruit Juice (if gets no exempt) = 10% /
 Coffee and Tea = 10% **of suggested retail prices**

Sugar Tax

Sugar Content (g/100 ml.)	16 Sep 17 – 30 Sep 19 (Baht/Litre)	1 Oct 19 – 30 Sep 21 (Baht/Litre)	1 Oct 21 – 30 Sep 23 (Baht/Litre)	1 Oct 23 onwards (Baht/Litre)
0-6	0	0	0	0
6.01-8	0.10	0.10	0.30	1
8.01-10	0.30	0.30	1	3
10.01-14	0.50	1	3	5
14.01-18	1	3	5	5
18.01 Up	1	5	5	5

Source: Excise Department (Translated from Thai version), as of 16 September 2017



Thank You

For more information, please visit our website: <http://www.malee.co.th>
or contact: ir@malee.co.th. Tel: +66 2080 7899 Ext 1137