

# GROW

**STRONGER TOGETHER**  
JOM JUARA, MENANG BERSAMA

## May 2020 Press Conference

Nestlé (Malaysia) Berhad

 **Nestlé**  
Good Food, Good Life



# Agenda

1

**NESTLÉ  
MALAYSIA**



2

**2019  
IN REVIEW**



3

**2020  
OUTLOOK**



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# Welcome to Nestlé Malaysia!



Turnover of

**RM 5.5 BILLION**

IN 2019



**HALAL** CENTRE OF EXCELLENCE

AND THE **BIGGEST** HALAL PRODUCER IN THE NESTLÉ WORLD



**20%** PRODUCTION EXPORTED

TO 50 COUNTRIES



NESMAL MARKET CAPITALIZATION

**RM 33 BILLION**

**OVER 9 MILLION**

CUPS OF MILO® CONSUMED DAILY



**>4600** EMPLOYEES



**6** FACTORIES





# Strong leadership in Malaysia Food and Beverage space



15.2



7.0



4.0



3.1



3.0



2.4



2.1



2.0



1.7

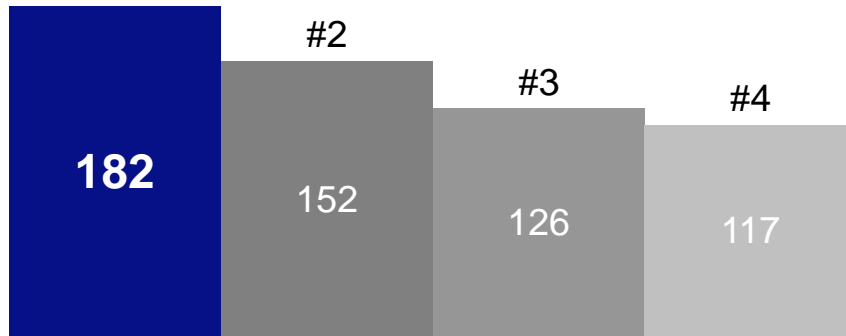


1.6



Source: Nielsen Malaysia, FY 2019

# Nestlé, the Most Trusted Company in Malaysia in 2019



- **Quality & Nutrition**
  - **Halal Compliance**
    - **Value Chain Traceability**
      - **Transparency & Compliance**

Source: Kantar TNS, 2020, Base : Total Sample Size, n=1000



# Our strategic focus remains, and now more than ever

## 1 DELIVER



- Results
- Shareholder Value
- **Value for Society**

## 2 BUILD



- Brands
- Capability & Efficiency
- **Safety & Prevention**

## 3 PROTECT



- Trust & Equity
- **Employees**
- **Value Chain Partners**



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**NESTLÉ  
GROUP**



  
**NESTLÉ  
MALAYSIA**

# Nestle Group: Growth and Profitability acceleration



2019  
Sales

CHF 92.6 BIO

ZONE  
EUROPE, MIDDLE-EAST, & NA

- 26% of NESTLÉ F&B Sales
- +2.7% Organic Growth

ZONE  
AMERICAS

- 45% of NESTLÉ F&B Sales
- +3.9% Organic Growth

ZONE  
ASIA, OCEANIA, & SSA

- 29% of NESTLÉ F&B Sales
- +3.2% Organic Growth
- +4.7% Nestle Malaysia  
Local Organic Growth





  
**NESTLÉ  
GROUP**

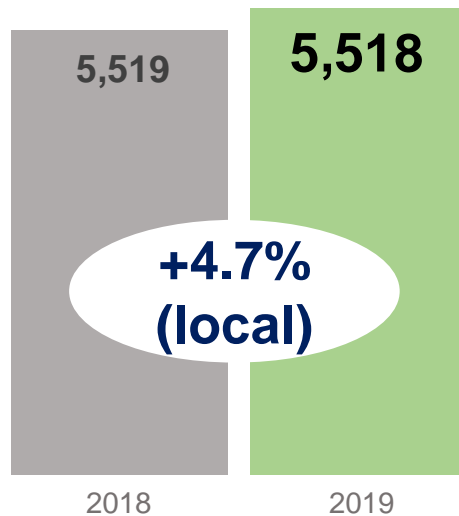


  
**NESTLÉ  
MALAYSIA**

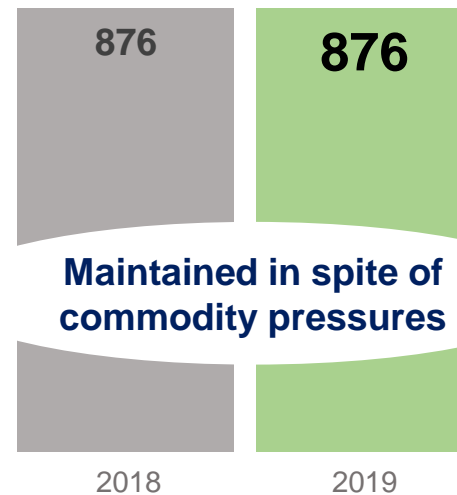
# Nestlé Malaysia: Progress in all Financial Indicators



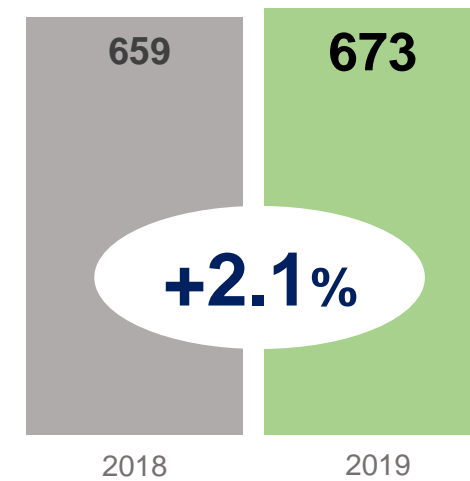
## SALES GROWTH



## PROFIT BEFORE TAX



## PROFIT AFTER TAX



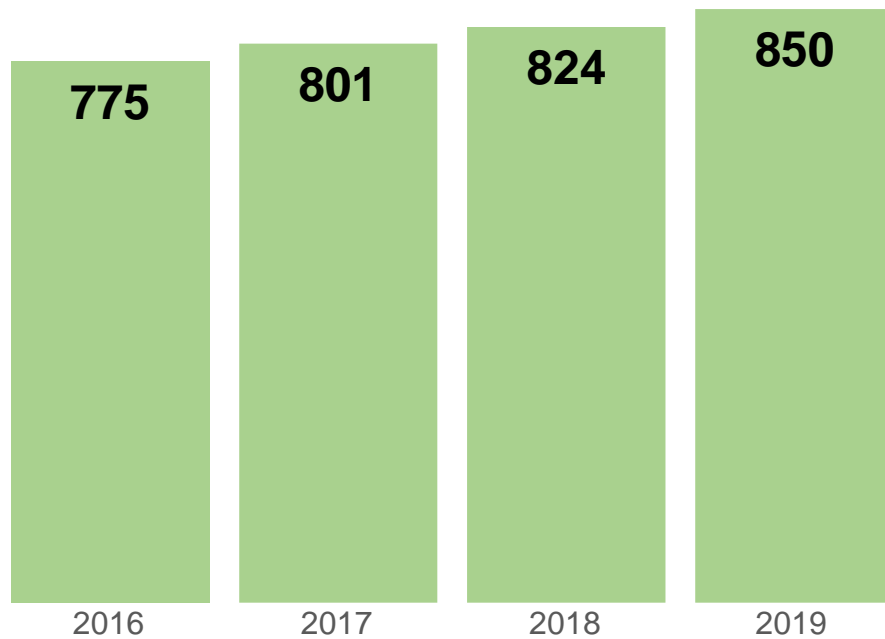
% Sales Growth adjusted for Chilled Dairy business divestment



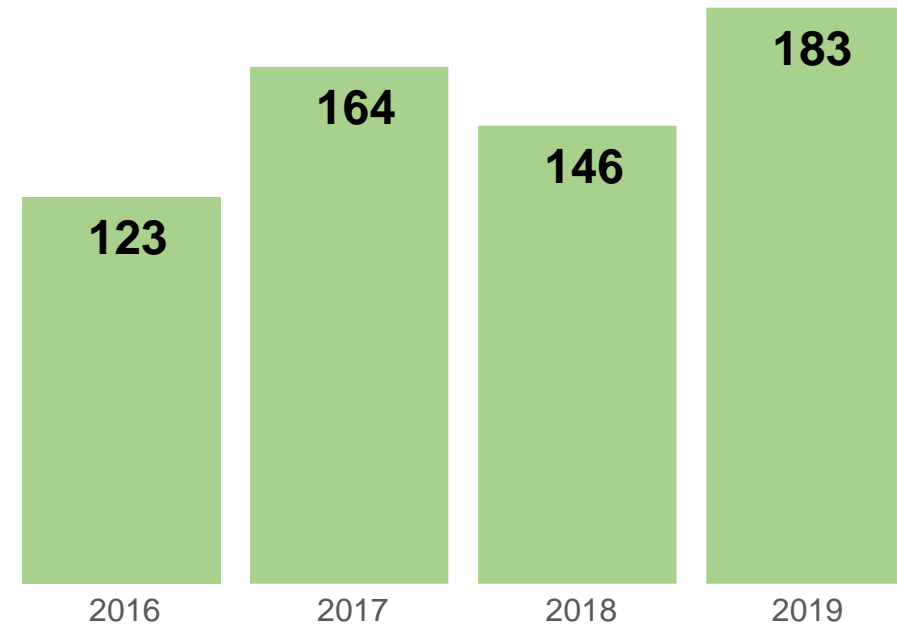
# Solid Cash Flow, with strong investment for the future



**Cash Flow**  
*RM Mio*



**CAPEX**  
*RM Mio*



# Through 2019 we continue to upgrade capabilities for the future

26 SEPTEMBER 2019 NEWS

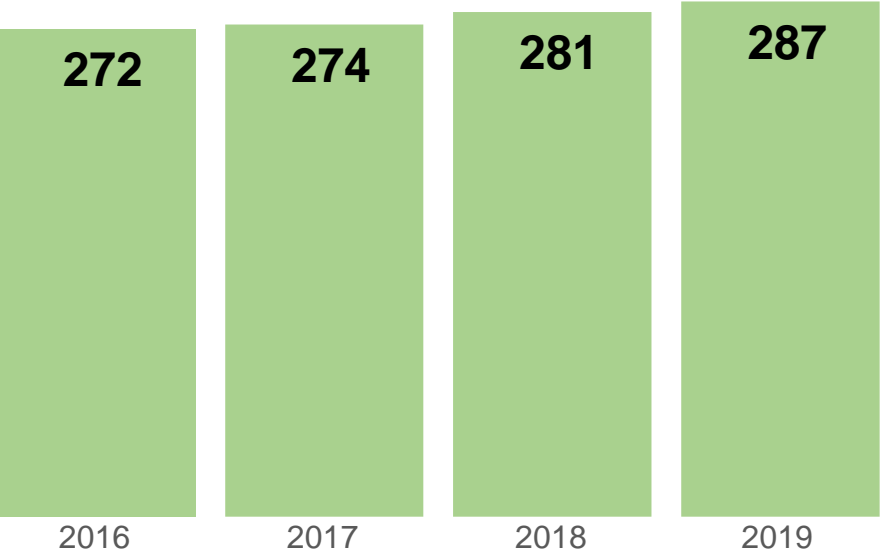
## Nestlé Malaysia expands Milo manufacturing plant at Chembong



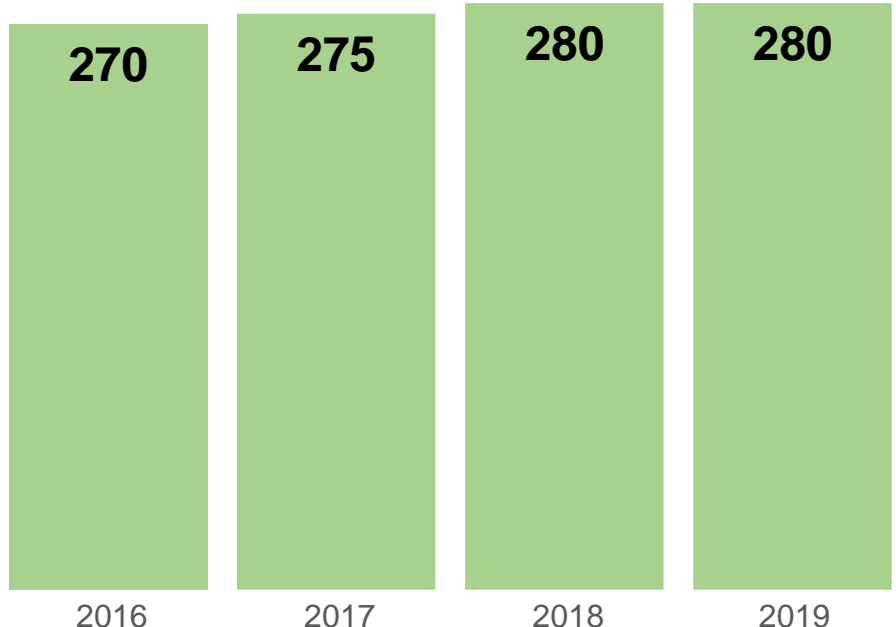


# Sustained Performance Fuels Shareholder Value

## EARNINGS PER SHARE *sen*



## NET DIVIDEND PER SHARE *sen*



# Through 2019 we continue to build our brands for long term success

## KNOW THE GOODNESS OF MILO®

Each cup of MILO® has the natural goodness of malt barley, milk, cocoa and 6 vitamins & 3 minerals to give you the energy to go further.

**MILK**  
Source of protein and calcium

**COCOA**  
The chocolatey taste that you like

**MALT BARLEY**  
Source of energy

**6 vitamins & 3 minerals**

**ONLY 1 TEASPOON OF ADDED SUGAR**  
\*5.8g sucrose per serving (30g)

**DID YOU KNOW**  
1 Cup of MILO® contains 124kcal, which is 6% of your energy needs per day\*\*

**Halal** (MUI Logo)  
MS 1500:2009  
1919-05-2004

**Halal** (JAKIM Logo)

*Serving Suggestion*



Through 2019 we continue to build our brands for long term success





# Strong consumer engagement to create new consumption opportunities

Maggi Cukup Rasa

**KONGSI  
RESIPI  
USAH  
GENTAR**

#TakKenalTakCinta

Maggi Cukup Rasa

Nestlé.  
Good Food, Good Life

A woman in a yellow shirt is cooking in a pan, pouring Maggi seasoning. The background shows a kitchen setting. The Maggi logo and 'Cukup Rasa' tagline are prominently displayed.

**Maggi: Rebus, Rencah, Goreng**

Maggi

Sajikan Kelainan

Goreng Seafood

Mi Maggi® Goreng Asam Laksa Penan

Maggi

Anda dan Maggi Sajikan Kelainan

A woman in a blue hijab and red apron is preparing food in a yellow Maggi food truck. The truck has various signs and images of Maggi products. The background shows a city street.



# Continuing to lead through excellence in innovation and marketing





# Leveraging global opportunities, bringing excitement to Malaysians





# Robust Sales execution remains a key pillar of success





# In 2019, we won again in-store and also online

Shopee Mall

Shopee  
**Super Brand Day**

Nestlé  
Good Food, Good Life

Nestlé JUST MILK MILO NESCAFÉ COLD BREW MAGGI NESCAFÉ Dolce Gusto Nestlé BREADFAST DELICIOUS

UP TO 60% OFF

HALAL

Products shown: Nescafé Dolce Gusto Cappuccino, Krups coffee machine, Nescafé Cold Brew, Maggi Pekat Giler, Milo Whole Grain Cereal, and Nestlé Just Milk Strawberry Flavoured Milk.

Nestlé @ Lazada 11.11 Super Show 2019

Lazada

Nestlé  
**LACTOGROW**

Products shown: Lactogrow 3 milk powder.



# Nestle continues to lead the journey towards sustainability





# We are leading the Industry Journey against plastic waste



Milo UHT Pack with  
**PAPER STRAW**  
1st in Malaysia





# Ambitious program to Revive Coffee farming in North Malaysia





# Multiple initiatives continue to bring joy and relief to many in need







***2019 penuh dengan  
pencapaian hebat!***

***2019 was a year of great achievements!***

# Key Takeaways

1

2019 Solid Results both Top & Bottom Line

For Nestlé Globally  
For Nestlé Malaysia



2

We continue to build our brands for long term success

3

Our initiatives are leading the industry in the journey towards improved sustainability

4

We continue building and investing for the future, while enhancing the business foundations





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# Q1 2020: Resilient sales, driven by export recovery

	Q1	Domestic	Export	Total
Sales (RM 'mio)	2020	1,160	275	1,435
	2019	1,200	253	1,453
	+/- %	-3.4%	8.8%	-1.3%

# Innovation: Reprioritized as consumers focus on core items.

*Yet, some very promising launches through Q1*





# Amplifying digital presence to drive consumption during MCO

Sharing of recipes by KOL & dietician using simple ingredients at home, paired with the goodness of MILO UHT

Hasnawati Yahaya  
20 hrs · 🌐

Hi everyone. MCO (movement control order) is still running. What are the activities of mummies and children?  
Today Mama Wati wants to share our activities at home with milo uht. this among our activities today. Create Food Art with children, hands and feet jump, arrogant and last must do homework too! 🤗  
\* Let's share the activities of mummies and children in the comments section! ... See More  
👤 See original · 🗳 Rate this translation



Georgen Cooking  
4 mins · 🌐

Thank you for staying at home! We know it can be challenging to stay at home for a long period of time. Make this easy cheesy sardine puff with your kids and have some fun! Make sure to wash your hands regularly too! 🤗

#georgencooking #keepsafe #staysafe #wholemeal #sardinepuff #StayAtHomewithMILO #DudukRumahMinumMILO



Georgen Cooking  
3 mins · 🌐

MCO day 21- Thank you for being a responsible Malaysian by staying home 🤗 What's for lunch today 🤗? Try making this baked chicken nugget together with your kids! It's a real kid-pleaser 🤗 Adults will enjoy this recipe as a tasty appetizer, too! 🤗

#georgencooking #chickennuggets #socialdistancing #cookathome #chickennugget #bakedchickennugget #kidrecipe #StayAtHomewithMILO #DudukRumahMinumMILO



Goodness of MILO communication on FB & YT



Facebook CPAS to drive online sales

2X sales increment



# Maggi team continues to drive brand love & loyalty

**[POLL] Tell Us Malaysians, How Do You Like To Eat MAGGI Curry Noodles?** To pecah the telur or not? What extra toppings to add? So many decisions!

<https://says.com/my/makan/how-do-malaysians-like-to-eat-maggi-kari-poll>

SAYS  
March 4 · 🌐

To pecah the telur or not? What extra toppings to add? So many decisions!

SAYS.COM

**[POLL] Tell Us Malaysians, How Do You Like To Eat MAGGI...**  
To pecah the telur or not? What extra toppings to add? So many decisions!

Maxine Lim, Yee Carmen and 2.4K others · 438 Comments · 448 Shares

**14,000  
respondents**

**112,135 VIEWS  
160% Ach vs Tgt**

**[ARTICLE] Do You Eat MAGGI Noodles The Same Way As Everyone Else? Here's What M'sians Voted For!**

**SAYS**  
ARTICLES



<https://says.com/my/makan/what-malaysians-think-about-maggi>

SAYS

Do You Eat MAGGI Noodles The Same Way As Everyone Else? Here's What M'sians Voted For!

87% said they would add extra ingredients, and sayur makes up half of it :O

Published by MAGGI, 01 Mar 2020, 08:12 PM

196s time spent

SAYS

Published by Gowri Chitra Martin · 18 hrs · 🌐

55% of Malaysians add sayur to their MAGGI! 🙄

Do You Eat MAGGI Noodles The Same Way As Everyone Else? Here's What M'sians Voted For!

About this website

10.76%  
Engagement rate

Latest on SAYS @saysdotcom

55% of Malaysians add sayur to their MAGGI! 🙄

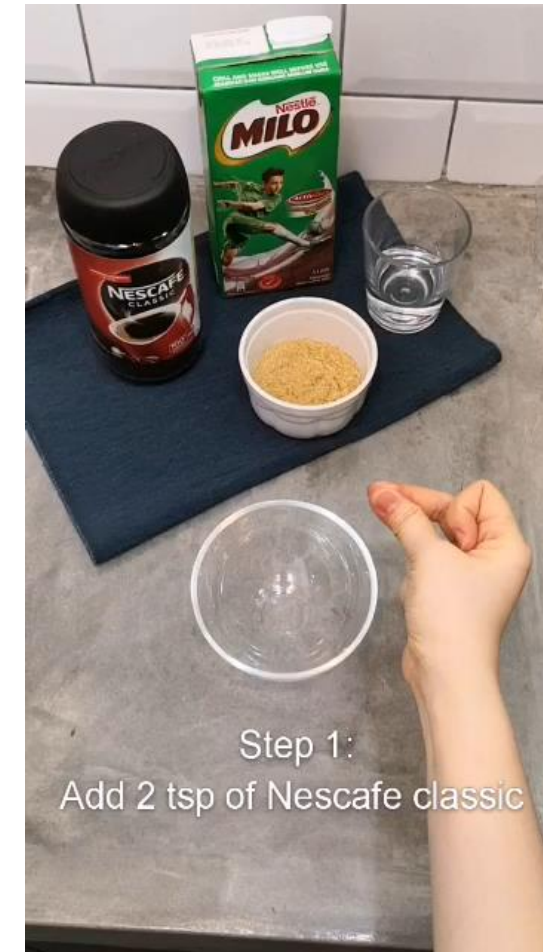
Do You Eat MAGGI Noodles The Same Way As Everyone Else? Here's What M'sian...  
87% said they would add extra ingredients, and sayur makes up half of it :O

says.com

4.21%  
Engagement rate

**1 mio impressions,  
20,000 Views within 3 days**

# Maximizing new trends, such as Dalgona viral recipes to drive offtake





# Adapting to the changing environment to capture all opportunities





# Out of the crisis, we see new opportunities for growth





# COVID19 disruption: rapid readjustment of priorities

1

## SAFETY



Keep all of our employees safe, especially front liners

2

## SUPPLY



Ensure supply of essential Foods and Beverages

3

## SUPPORT



Play our part to support Malaysia at a time of national need

# Nestle Malaysia has stepped up to the challenge



Early risk awareness and preparation



Strong Engagement



Focus in protecting supply chain operation



# Nestle Malaysia has mobilized to help, now during MCO and also later

### Nestlé Malaysia pledges RM15m to Covid-19 relief efforts

By Farah Adilla - April 15, 2020 @ 12:13pm

[WhatsApp](#) [Facebook](#) [Twitter](#) [LinkedIn](#) [+ 43](#)

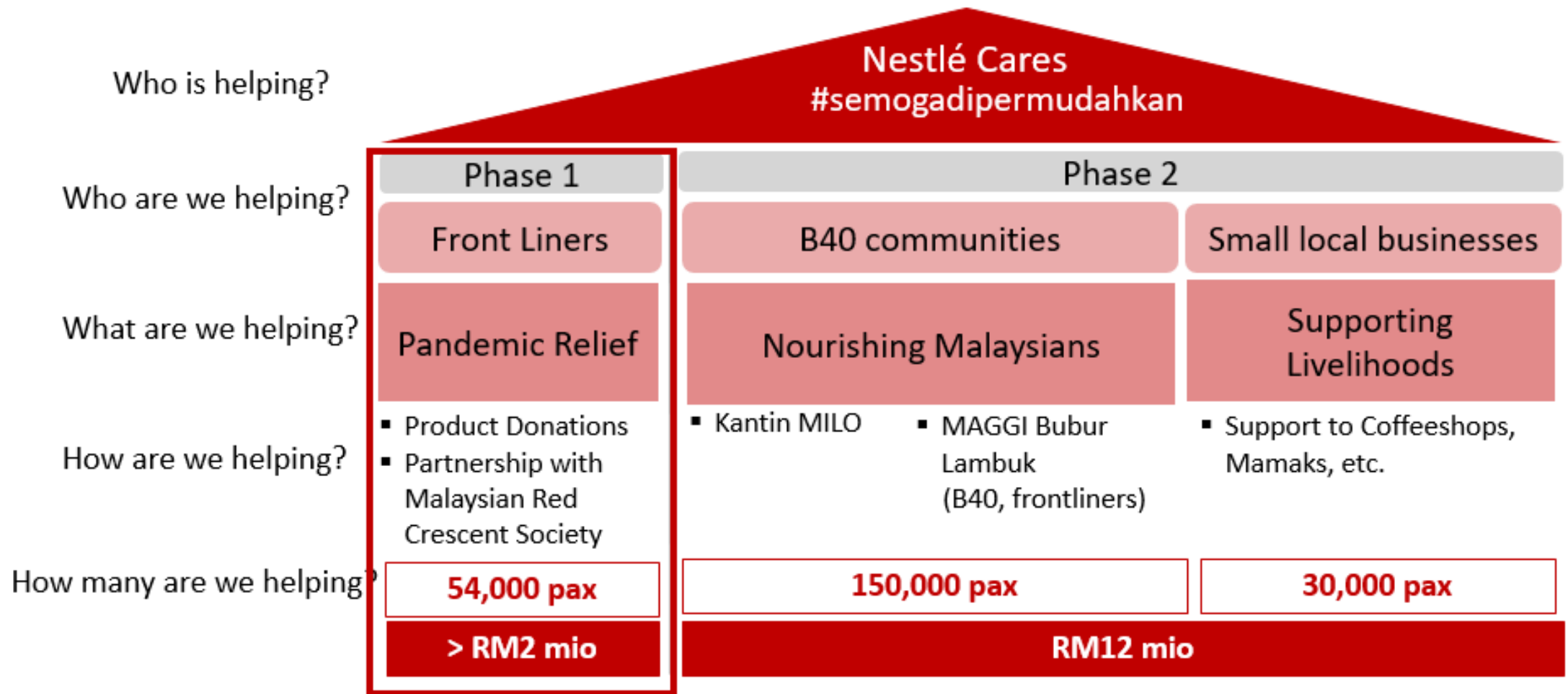
Nestlé MALAYSIAN RED CRESCENT

Nestlé Malaysia partnering with Malaysian Red Crescent Society to help Malaysians Fight COVID-19

#responsMalaysia #NestleCares #Semogadipermudahkan



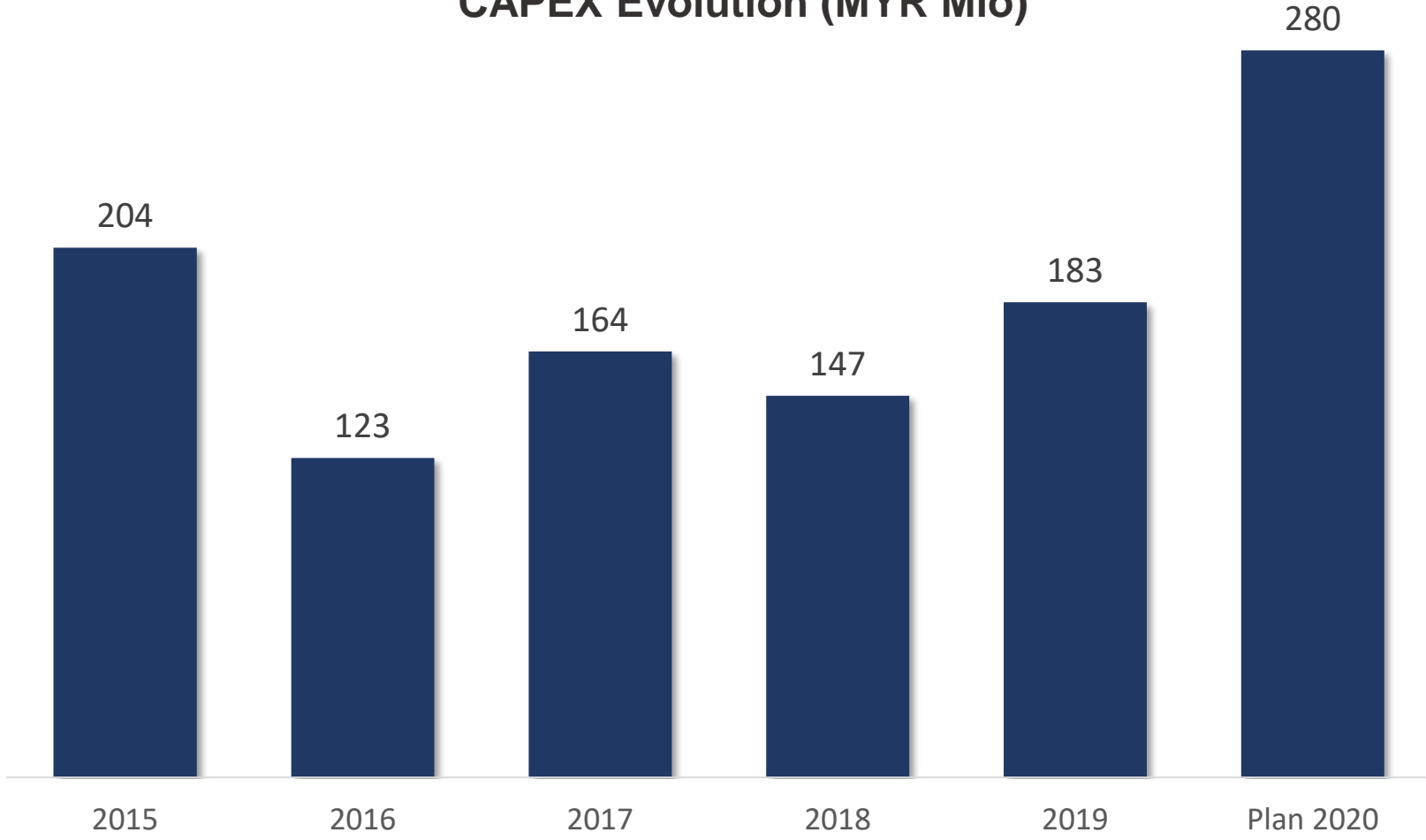
# Nestlé contributing RM15 million to help the lives of 200,000 Malaysians





# Nestlé Commits Six-year High Investment in 2020: Proof of confidence in Malaysia

CAPEX Evolution (MYR Mio)



Batu Tiga  
Capacity Expansion



Entrance in New High  
Growth Categories

# 2020 in Summary

1

Immediate priorities:

- *Safety of employees*
- *Ensuring supply of essential foods*
- *Helping the community*

2

We continue to build our brands for long term success to capture all growth opportunities

3

We continue investing for the future, building capabilities, efficiency and environmental sustainability.





# 2020 guidance

- Too early to assess full year impact of COVID19.
- Fully Confident to deliver another year of resilient results.
- Totally Committed
  - To help Malaysians
  - To invest for the long term

