



統一企業(股)公司 UNI-PRESIDENT ENTERPRISES CORP.

Security Code: 1216 TT

2019 Q1 Results

UPCH



UPEC



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Agenda

1. Uni-President (1216TT) Group Overview

2. CVS & Retail Business (PCSC 2912TT)

3. China F&B Business (UPCH 220HK)

1. Uni-President(1216TT) Group Overview

The Highlight of Uni-President Group

Largest F&B Company in Taiwan

- ✓ Market Cap US\$13.43bn, QFII ratio 55.23%
- ✓ Total assets US\$13.50bn, and revenue US\$14.31bn.
- ✓ Vertical integration from manufacturing, distribution to retailing.

Leading F&B Company in China (UPCH)

Largest CVS & Hypermarket Retailers in Taiwan

- ✓ **“7-11”** Convenience Store Chains & **“Carrefour”** Hypermarket Chains

Focusing F&B and Retail Businesses in Asia

* Market cap & QFII based on the closing price NT\$73.10 (US\$1=NT\$30.925) as of May 6, 2019

** Total assets and revenue were consolidated-based in 2018: US\$1=NT\$30.149

The Major Structure of Uni-President Group

Taiwan F&B: Uni-President (UPEC) (1216 TT)



F&B

Uni-President China (UPCH) (220 HK)
UPEC holds 70.49%

Southeast Asia Holdings
(Vietnam, Thailand, Philippines)
UPEC holds 100%

TTET Union (1232TT)



UPEC holds 38.50%
UP Group holds 46.14%

Wei Lih Food
UPEC holds 33.30%
Taiwan To.2 Noodle Company



Kuang Chuan Dairy

UPEC holds 31.25%
Taiwan To.3 Dairy Company



Retail & Logistics

President Chain Stores (PCSC) (2912TT)



UPEC holds 45.40%

Uni-Wonder Corp. (Taiwan Starbucks)

UPEC holds 40%
PCSC holds 60%



President Drugstore (Cosmed)



PCSC holds 100%

President Transnet Corp. (Takkyubin Taiwan)

UPEC holds 20%
PCSC holds 70%



Phillipine 7-11 (SEVN PM)



PCSC holds 52.22%

Container & Packaging

Ton-Yi Industrial (9907TT)



UPEC holds 45.55%
UP Group holds 47.49%

Leisure Business

President Fair Development (Dream Mall)

UPEC holds 40.50%
UP Group holds 100%

Uni-President Development (Taipei BOT)

UPEC holds 30%
UP Group holds 70%

Others

President International Development (PIDC)

UPEC holds 69.37%

Scinopharm (1789TT)



UPEC holds 37.94%
UP Group holds 47.96%

President Securities (2855TT)

UPEC holds 28.31%

* The above structure only includes Uni-President's major subsidiaries

Key P&L Items of Uni-President (Consolidated)

Unit : NTD in Millions

Consolidated	2019.1-3M			2018.1-3M		2018Y		2017Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	107,792	100.00%	3.36%	104,288	100.00%	431,446	100.00%	399,861	100.00%
Gross Profit	37,102	34.42%	4.72%	35,429	33.97%	145,285	33.67%	132,741	33.20%
Operating Profit	7,515	6.97%	7.16%	7,013	6.72%	26,986	6.25%	22,357	5.59%
Pre Tax Income	9,692	8.99%	13.68%	8,526	8.18%	35,308	8.18%	76,488	19.13%
Net Income	7,824	7.26%	19.79%	6,531	6.26%	26,945	6.25%	59,965	15.00%
*Net Income	5,276	4.89%	23.07%	4,287	4.11%	17,442	4.04%	39,845	9.96%
*EPS (after tax)	0.93			0.75		3.07		7.01	

*The figure is attributable to the equity holders of the company.

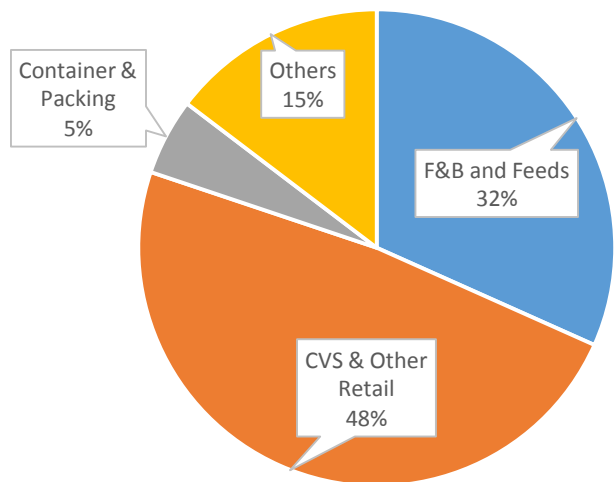
Segment Information of Uni-President (Consolidated)

Unit : NTD in Millions

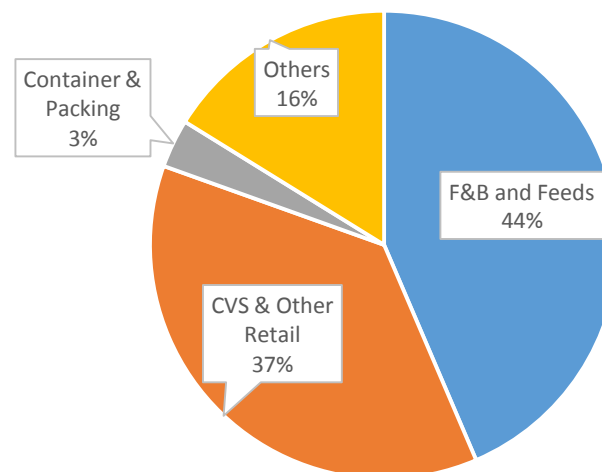
2019.1-3M Segment Results	F&B and Feeds	CVS & Other Retail	Container & Packing	Others	Total	Adj.	Consolidated
Segment revenue **	34,155	52,235	5,601	15,800	107,792	-	107,792
YoY	3.24%	3.90%	-1.89%	3.80%	3.36%		3.36%
Segment income	3,129	2,651	240	1,162	7,182	333	7,515
Segment margin	9.16%	5.07%	4.29%	7.36%	6.66%		6.97%
YoY	21.23%	-4.67%	-19.16%	18.33%	8.15%		7.16%

** Revenue from external customers

Segment Revenue



Segment Income



Uni-President (1216TT) Key Cash Flow Items (Consolidated)

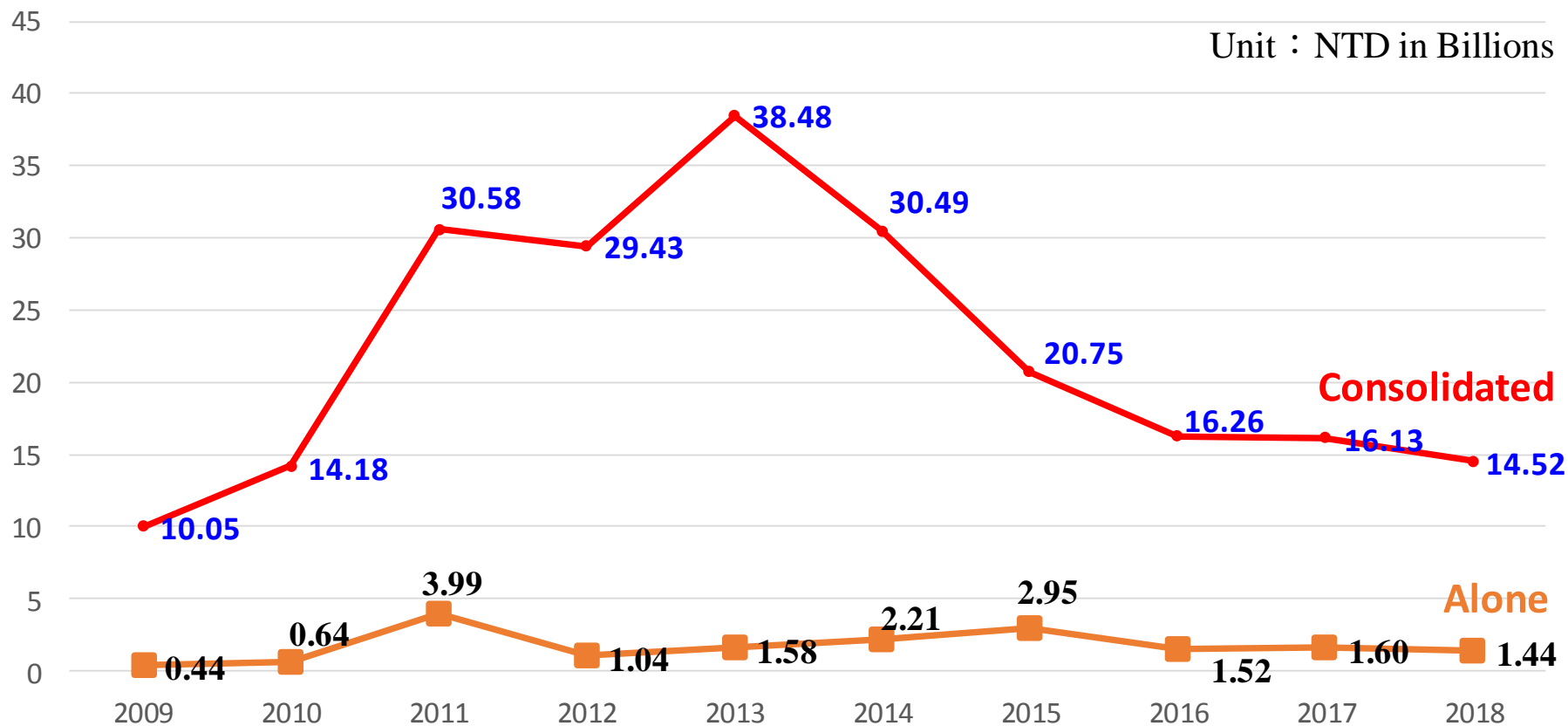
Unit : NTD in Billions

Items	2019.1-3M	2018.1-3M
Beginning Balance	80.06	54.70
Net Cash provided by operating activities	9.22	0.07
Net cash (used in) investing activities	(12.89)	27.87
*Capital Expenditure	(3.85)	(3.67)
Proceeds from disposal of assets / investments	0.06	42.75
Net cash (used in) provided by financing activities	(5.37)	6.11
Ending Balance	71.69	88.41

* Capital expenditures includes the acquisition and disposal of PP&E (including interests payment), the increase of intangible assets, the prepayment of equipment (including interests payments), and the long-term prepaid rent (the land-use right)

Uni-President (1216TT) Key Cash Flow Items

* Historical Capex



* 2014-2018 figures are based on 2013Y version of Taiwan IFRS

Historical Key P&L Items of Uni-President (Standalone)

Unit : NTD in Millions

Stand-alone	2018Y			2017Y		2016Y		2015Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	38,940	100.00%	-0.87%	39,283	100.00%	38,919	100.00%	38,287	100.00%
Gross Profit	11,891	30.54%	2.81%	11,566	29.44%	11,533	29.63%	11,107	29.01%
Operating Profit	2,290	5.88%	116.67%	1,057	2.69%	2,016	5.18%	1,750	4.57%
Net Income	17,442	44.79%	-56.23%	39,845	101.43%	14,527	37.33%	14,108	36.85%
EPS (after tax)	3.07			7.01		2.56		2.48	
Cash dividend/share	* 2.50			5.50		2.10		2.00	
Stock dividend/share	0.00			0.00		0.00		0.00	
Cash dividend as % of Total dividend	100%			100%		100%		100%	
Cash dividend payout ratio	81%			78%		82%		81%	

Note*: Y2018 dividend policy was proposed at 2019/3/27 board meeting (pending shareholders' meeting resolution).

Major Profit Contributors to Uni-President (Standalone)

Stand-alone basis (NTD in Millions)	2019.1-3M		2018.1-3M		YoY	2018Y		2017Y	
	Amount	% of NI	Amount	% of NI		Amount	% of NI	Amount	% of NI
Operating Income	N/A	N/A	N/A	N/A	N/A	2,290	13%	1,057	3%
Total Investment Income (Equity Method)	N/A	N/A	N/A	N/A	N/A	15,133	87%	37,245	93%
Major Components of Investment Income:									
1.Cayment President (100% ownership)	1,587	30%	1,179	28%	34.58%	4,763	27%	4,510	11%
2.PCSC(2912TT) (45.40% ownership)	1,375	26%	1,209	28%	13.75%	4,616	26%	14,108	35%
3.President Securities (28.31% ownership)	261	5%	32	1%	719.45%	343	2%	741	2%
4.PIDC (69.37% ownership)	258	5%	184	4%	40.13%	318	2%	609	2%
5.Kai Yu Investment (100% ownership)	181	3%	231	5%	-21.67%	593	3%	13,536	34%
6.PRESCO (100% ownership)	133	3%	115	3%	16.00%	484	3%	417	1%
7.Nan Lien Intl (100% ownership)	118	2%	107	3%	9.89%	441	3%	426	1%
8.TTET Union (38.50% ownership)	114	2%	76	2%	51.40%	349	2%	313	1%
9.Kuang Chuan Dairy (31.25% ownership)	113	2%	82	2%	37.31%	336	2%	316	1%
10.Presicarre (20.50% ownership)	104	2%	96	2%	8.68%	344	2%	356	1%
11.Ton Yi Industrial (9907TT) (45.55% ownership)	66	1%	53	1%	26.40%	672	4%	279	1%
Net Income	5,276	100%	4,287	100%	23.07%	17,442	100%	39,845	100%

2. CVS & Retail Business (PCSC 2912TT)

CVS & Retail Businesses



President Chain Store Corp. (PCSC 2912TT)

(UPEC holds 45.40%)

- **History:** Opened the first 7-11 in Taiwan in 1980 & Listed on TWSE since 1997.
- **Valuation:** Market cap US\$10.02bn* , QFII ratio 40.87%.
- **Geographic Scope:** Taiwan 、 China 、 Southeast Asia (Philippine).

* Market cap & QFII Ratio based on closing price NT\$298 as of May 6, 2019 US\$1=NT\$30.925

Key P&L Items of PCSC (2912TT) (Consolidated)

Unit : NTD in Millions

Consolidated	2019.1-3M			2018.1-3M		2018Y		2017Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	61,085	100.00%	3.63%	58,948	100.00%	244,888	100.00%	221,132	100.00%
Gross Profit	21,006	34.39%	2.46%	20,501	34.78%	84,077	34.33%	73,434	33.21%
Operating Profit	3,203	5.24%	-3.97%	3,336	5.66%	12,835	5.24%	10,422	4.71%
Net Income	3,260	5.34%	13.93%	2,861	4.85%	11,744	4.80%	32,318	14.61%
*Net Income	2,908	4.76%	14.59%	2,538	4.30%	10,206	4.17%	31,017	14.03%
*EPS (after tax)	2.80			2.44		9.82		29.83	

*The figure is attributable to the equity holders of the company.

PCSC (2912TT) Consolidated Revenue by Segments

Unit : NTD in Millions

Revenue by Segments	2019.1-3M	% of Rev.	YoY	2018.1-3M	% of Rev.
1.Convenience Store	37,775	61.84%	2.12%	36,990	62.75%
2.Retail Business (including filling	17,804	29.15%	6.95%	16,647	28.24%
3.PCSC's other operating segments (including restaurant and China retail)	4,972	8.14%	2.77%	4,839	8.21%
4.Logistics Business	534	0.87%	13.09%	472	0.80%
Total Revenue	61,085	100.00%	3.63%	58,948	100.00%

Key P&L Items of PCSC (2912TT) (Standalone)

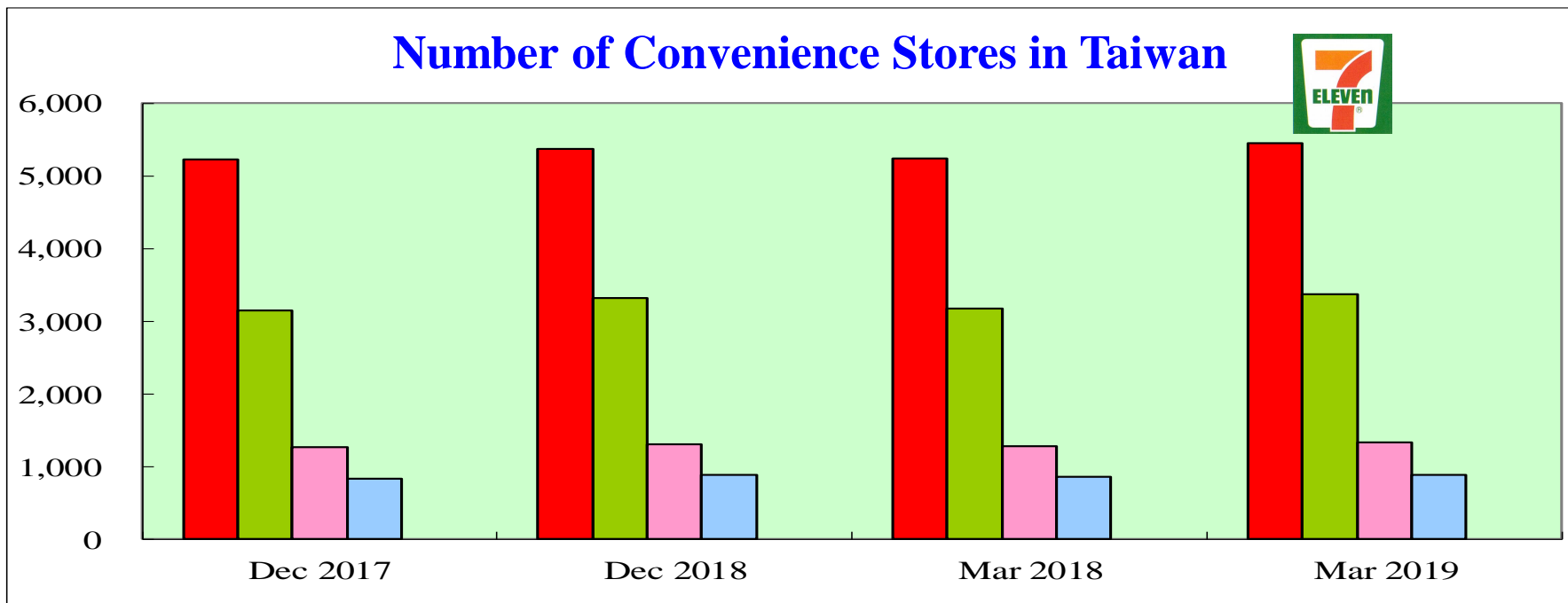
Unit : NTD in Millions

Standalone	2018Y			2017Y		2016Y		2015Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	154,075	100.00%	6.64%	144,480	100.00%	140,147	100.00%	133,408	100.00%
Gross Profit	53,012	34.41%	4.69%	50,639	35.05%	48,084	34.31%	45,109	33.81%
Operating Profit	7,655	4.97%	22.54%	6,247	4.32%	6,674	4.76%	6,412	4.81%
Net Income	10,206	6.62%	-67.09%	31,017	21.47%	9,837	7.02%	8,239	6.18%
EPS(after tax)	9.82			29.83		9.46		7.92	
Cash dividend/share	* 8.80			25.00		8.00		7.20	
Stock dividend/share	0.00			0.00		0.00		0.00	
Cash dividend payout ratio	90%			84%		85%		91%	

Note*: Y2018 dividend policy was proposed at 2019/2/27 board meeting (pending shareholders' meeting resolution)..

PCSC's Market Share in Taiwan

Number of Convenience Stores in Taiwan



	2017.12	2018.12	2018.3	2019.3
7-ELEVEN	5,221	5,369	5,245	5,443
A公司	3,152	3,324	3,170	3,373
B公司	1,267	1,306	1,276	1,330
C公司	838	885	854	883

Data source: PCSC

PCSC's Major Retail Scopes in Taiwan

PCSC (2912TT)

Convenience Store

Taiwan 7-ELEVEN



PCSC holds 100%
of stores: 5,443

Drugstore

Cosmed Taiwan



PCSC holds 100%
of stores: 400

Department Store

Uni-Ustyle



PCSC holds 70%
UPEC holds 30%
of store: 1

Shopping Mall

Dream Mall



PCSC holds 19.0%
UPEC holds 40.5%
PIDC holds 40.5%
of store: 1

Restaurants

Uni -Wonder Corp.
(Taiwan Starbucks)



PCSC holds 60%
UPEC holds 40%
of stores: 458

Cold Stone Creamery



PCSC holds 100%
of stores: 30

Mister Donut



PCSC holds 50%
of stores: 68

21 Century



PCSC holds 100%
of stores: 26

Distribution & Logistics

Retail Support International



UP Group holds 65%

Uni-President Cold-Chain



UP Group holds 100%

Wisdom Distribution



UP Group holds 100%

President Transnet Corp.
(Taiwan Takkyubin)



PCSC holds 70%
UPEC holds 20%

Online Retailer

博客來網路書店 統一企業集團
books.com.tw

PCSC holds 50.03%

ibon mart

統一超商線上購物中心

Ibon Mart
PCSC holds 100%

* Store No. is as of end Mar 2019

PCSC's Major Retail Scopes Overseas

China

Convenience Store

Shanghai 7-ELEVEN

PCSC holds 100%
of stores: 113



Zhejiang 7-ELEVEN

PCSC holds 100%
of stores: 28



Supermarket

Shandong Uni-Mart

PCSC holds 55%
of stores: 193



Southeast Asia

Convenience Store

Philippine 7-ELEVEN (SEVN PM)

PCSC holds 52.22%
of stores: 2,593



* Store No. is as of end Mar, 2019

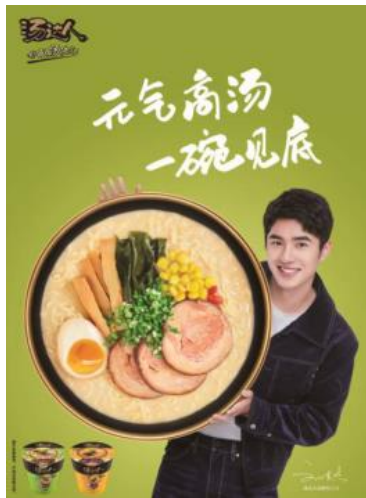
3. China F&B Business (UPCH 220HK)

F&B Business in China

Uni-President China Holdings Ltd. (UPCH 220 HK) (UPEC holds 70.5%)

- Commenced China F&B operations in **1992**
- Listed on HKSE since **Dec 17th, 2007**
- Current market cap US\$3.86bn*
- Distribution to 31 provinces across China

* Market cap based on closing price HK\$7.01 as of May 6, 2019, US\$1=HK\$7.8457



UPCH (220HK) Key Financials

RMB in thousands	2019.1-3M	2018.1-3M	YoY
Reported Net Profit	380,479	257,040	48.02%

Historical Key P&L Items of UPCH (220HK) (Consolidated)

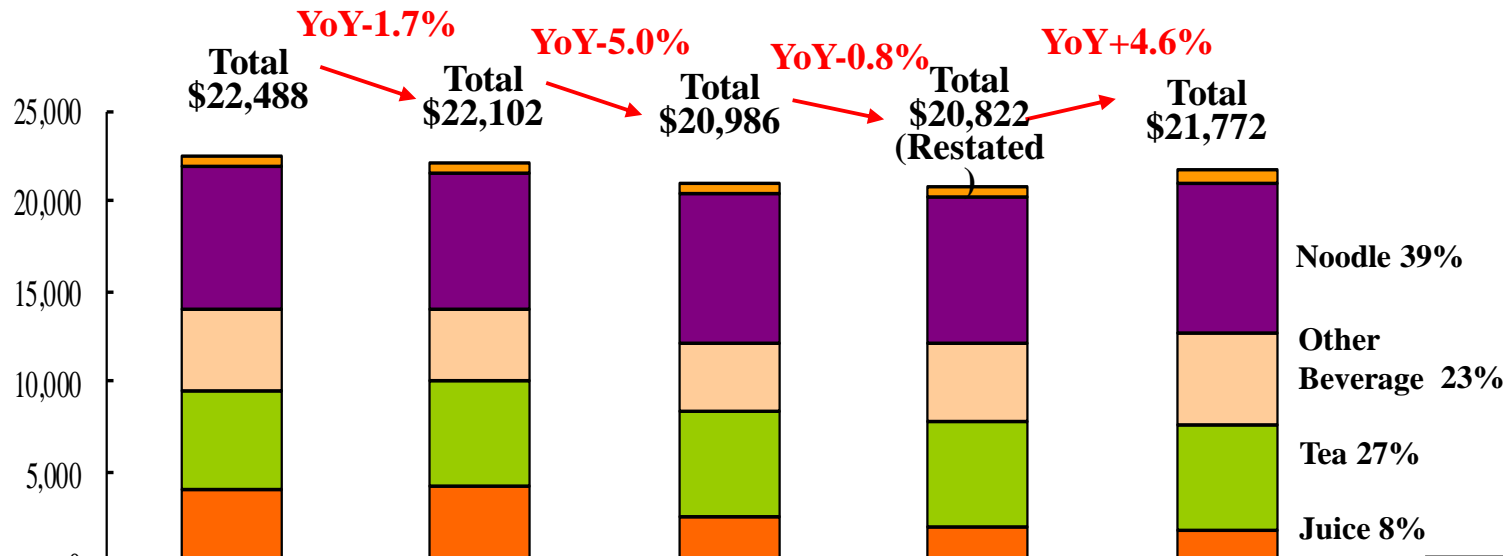
Unit : RMB in Millions

Consolidated	2018Y			2017Y(Restated)		2016Y		2015Y	
	Amount	% of Rev.	YoY	Amount	% of Rev.	Amount	% of Rev.	Amount	% of Rev.
Revenue	21,772	100.00%	4.56%	20,822	100.00%	20,986	100.00%	22,102	100.00%
Gross Profit	7,289	33.48%	10.83%	6,577	31.59%	7,228	34.44%	8,141	36.83%
Operaitng Profit	1,312	6.03%	10.53%	1,187	5.70%	963	4.59%	1,031	4.66%
Pre Tax Profit	1,540	7.07%	20.60%	1,277	6.13%	1,068	5.09%	1,171	5.30%
* Net Profit	1,030	4.73%	17.31%	878	4.22%	607	2.89%	835	3.78%
* EPS(cents)	23.84			20.33		14.06		19.32	
Total Payout Ratio	100%			70%		20%		20%	
Cash dividend/share(cents)	23.84			14.23		2.812		3.864	

* The figure is attributable to the equity holders of the company.

UPCH (220HK) Sales Break-down by Products

Unit : RMB in millions



	2014Y	2015Y	2016Y	2017Y(Restated)	2018Y	YoY
Other Business	523	483	584	668	728	8.9%
Instant Noodles	7,960	7,567	8,221	7,974	8,425	5.7%
Other Beverage	4,540	3,947	3,766	4,360	4,953	13.6%
RTD Tea	5,526	5,826	5,915	5,826	5,944	2.0%
RTD Juice	3,939	4,278	2,500	1,993	1,723	-13.5%

UPCH (220HK) Margin & Expenses Breakdown

Gross Margin As % of revenue

	2018Y	2017Y(Restated)
Company	33.5%	31.6%
Instant Noodle	30.1%	28.2%
Beverage	37.0%	34.7%

Expenses As % of revenue

	2018Y	2017Y(Restated)
Company	28.50%	27.2%
Selling&Marketing	23.40%	22.5%
Administration	5.10%	4.7%

Net Margin As % of revenue

	2018Y	2017Y(Restated)
Company	4.70%	4.2%
Instant Noodle	5.50%	5.2%
Beverage	10.20%	8.3%