



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

Security Code: 1216 TT

2019 Interim Results

UPCH



UPEC



统一蛋糕屋



回甘就像现泡
單細胞生茶萃取技術



PCSC



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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\$13.81bn, QFII ratio 56.06%
- ✓ 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\$76.60 (US\$1=NT\$31.51) as of Aug 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	1H19			1H18		2018Y		2017Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	222,272	100.00%	3.55%	214,646	100.00%	431,446	100.00%	399,861	100.00%
Gross Profit	77,590	34.91%	6.01%	73,191	34.10%	145,285	33.67%	132,741	33.20%
Operating Profit	16,981	7.64%	14.37%	14,847	6.92%	26,986	6.25%	22,357	5.59%
Pre Tax Income	20,845	9.38%	2.71%	20,294	9.45%	35,308	8.18%	76,488	19.13%
Net Income	16,398	7.38%	8.02%	15,181	7.07%	26,945	6.25%	59,965	15.00%
*Net Income	11,046	4.97%	13.06%	9,770	4.55%	17,442	4.04%	39,845	9.96%
*EPS (after tax)	1.94			1.72		3.07		7.01	

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

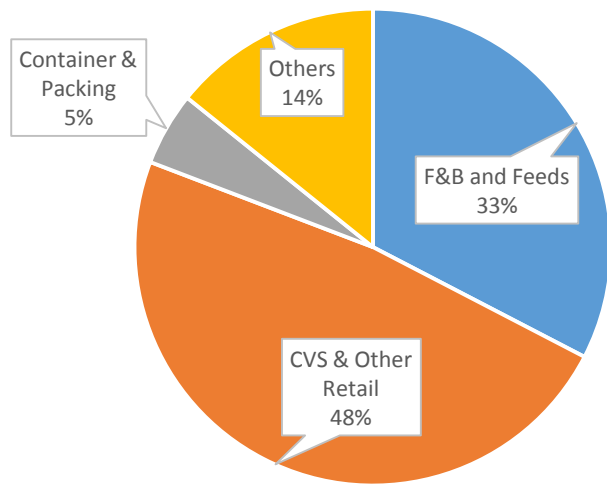
Segment Information of Uni-President (Consolidated)

Unit : NTD in Millions

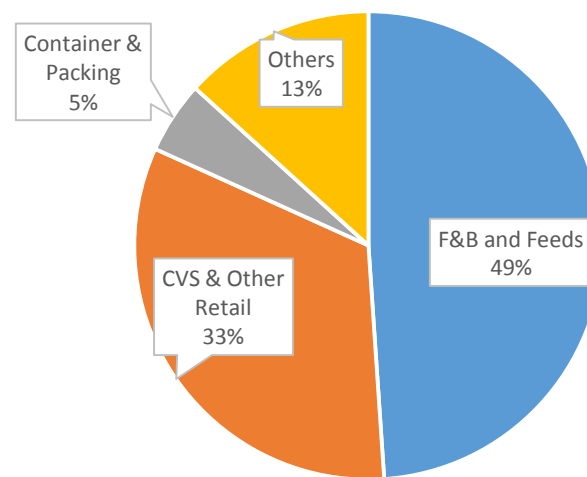
1H19 Segment Results	F&B and Feeds	CVS & Other Retail	Container & Packing	Others	Total	Adj.	Consolidated
Segment revenue **	72,501	107,115	11,045	31,611	222,272	-	222,272
YoY	4.66%	4.45%	-6.56%	1.95%	3.55%		3.55%
Segment income	8,042	5,398	817	2,180	16,438	543	16,981
Segment margin	11.09%	5.04%	7.40%	6.90%	7.40%		7.64%
YoY	36.01%	-1.68%	-0.26%	12.93%	16.14%		14.37%

** Revenue from external customers

Segment Revenue



Segment Income



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

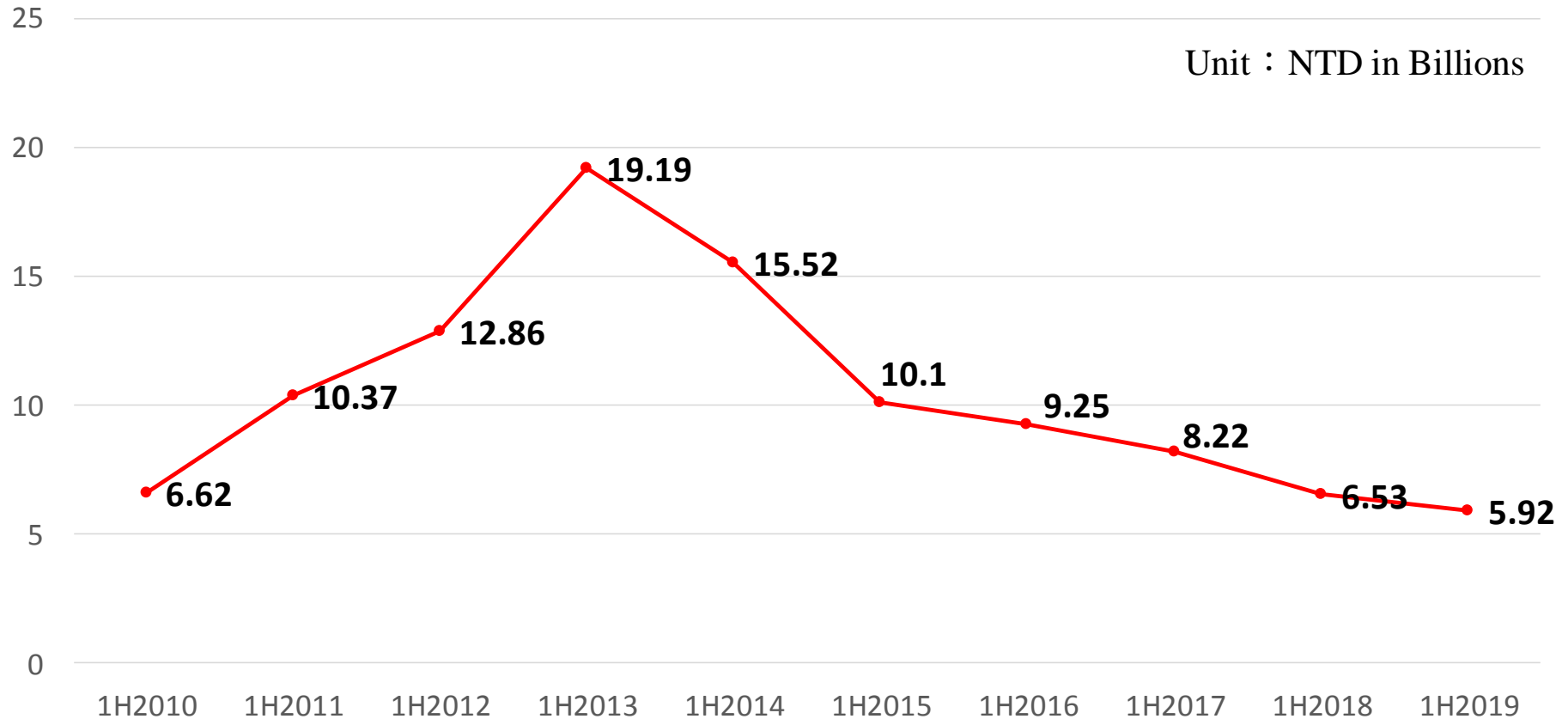
Unit : NTD in Billions

Items	1H19	1H18
Beginning Balance	80.06	54.70
Net Cash provided by operating activities	24.08	13.67
Net cash (used in) investing activities	(14.81)	17.36
*Capital Expenditure	(5.92)	(6.53)
Proceeds from disposal of assets / investments	0.26	42.85
Net cash (used in) provided by financing activities	(13.33)	(1.64)
Ending Balance	76.25	84.54

* 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 (Consolidated)

* Historical Capex



* 2014-2019 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%	

Major Profit Contributors to Uni-President (Standalone)

Stand-alone basis (NTD in Millions)	1H19		1H18		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)	4,136	37%	3,031	31%	36.44%	4,763	27%	4,510	11%
2.PCSC(2912TT) (45.40% ownership)	2,568	23%	2,375	24%	8.12%	4,616	26%	14,108	35%
3.PIDC (69.37% ownership)	378	3%	340	3%	11.18%	318	2%	609	2%
4.President Securities (28.31% ownership)	315	3%	296	3%	6.28%	343	2%	741	2%
5.PRESCO (100% ownership)	275	2%	235	2%	17.02%	484	3%	417	1%
6.Kai Yu Investment (100% ownership)	269	2%	417	4%	-35.47%	593	3%	13,536	34%
7.Nan Lien Intl (100% ownership)	247	2%	227	2%	9.26%	441	3%	426	1%
8.Kuang Chuan Dairy (31.25% ownership)	230	2%	185	2%	24.52%	336	2%	316	1%
9.Ton Yi Industrial (9907TT) (45.55% ownership)	210	2%	540	6%	-61.08%	672	4%	279	1%
10.TTET Union (38.50% ownership)	196	2%	165	2%	18.45%	349	2%	313	1%
11.Presicarre (20.50% ownership)	185	2%	180	2%	3.26%	344	2%	356	1%
Net Income	11,046	100%	9,770	100%	13.06%	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\$9.68bn* , QFII ratio 40.37%.
- **Geographic Scope:** Taiwan 、 China 、 Southeast Asia (Philippine).

* Market cap & QFII Ratio based on closing price NT\$293.50 as of Aug 6, 2019 US\$1=NT\$31.51

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

Unit : NTD in Millions

Consolidated	1H19			1H18		2018Y		2017Y	
	Amount	%	YoY	Amount	%	Amount	%	Amount	%
Revenue	125,033	100.00%	4.04%	120,177	100.00%	244,888	100.00%	221,132	100.00%
Gross Profit	42,934	34.34%	3.57%	41,455	34.49%	84,077	34.33%	73,434	33.21%
Operating Profit	6,560	5.25%	-0.32%	6,581	5.48%	12,835	5.24%	10,422	4.71%
Net Income	6,230	4.98%	6.00%	5,877	4.89%	11,744	4.80%	32,318	14.61%
*Net Income	5,498	4.40%	6.34%	5,170	4.30%	10,206	4.17%	31,017	14.03%
*EPS (after tax)	5.29			4.97		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	1H19	% of Rev.	YoY	1H18	% of Rev.
1.Convenience Store	77,224	61.76%	1.96%	75,740	63.02%
2.Retail Business (including filling	36,907	29.52%	9.41%	33,733	28.07%
3.PCSC's other operating segments (including restaurant and China retail)	9,847	7.88%	1.04%	9,746	8.11%
4.Logistics Business	1,055	0.84%	10.13%	958	0.80%
Total Revenue	125,033	100.00%	4.04%	120,177	100.00%

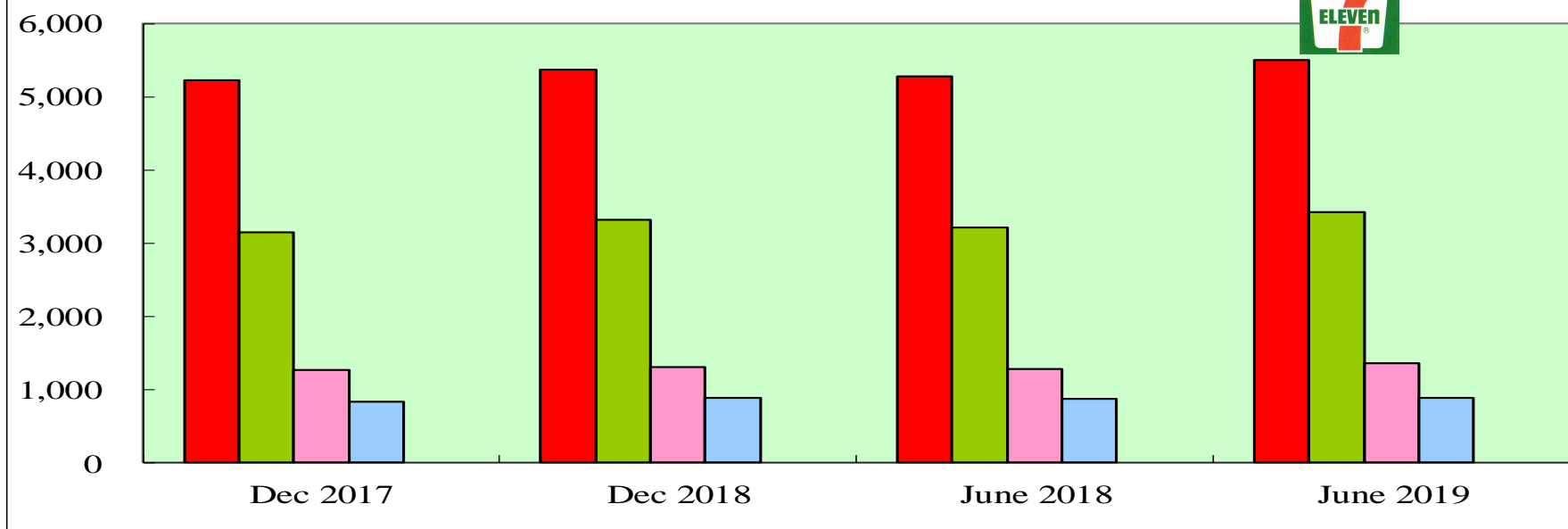
Key P&L Items of PCSC (2912TT) (Standalone)

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%	

PCSC's Market Share in Taiwan

Number of Convenience Stores in Taiwan



	2017.12	2018.12	2018.6	2019.6
7-ELEVEN	5,221	5,369	5,281	5,505
A company	3,152	3,324	3,219	3,417
B company	1,267	1,306	1,281	1,353
C company	838	885	868	883

Data source: PCSC

PCSC's Major Retail Scopes in Taiwan

PCSC (2912TT)

Convenience Store

Taiwan 7-ELEVEN



PCSC holds 100%
of stores: 5,505

Drugstore

Cosmed Taiwan



PCSC holds 100%
of stores: 395

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: 466

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 June 2019

PCSC's Major Retail Scopes Overseas

China

Convenience Store

Shanghai 7-ELEVEN

PCSC holds 100%
of stores: 115



Zhejiang 7-ELEVEN

PCSC holds 100%
of stores: 28



Supermarket

Shandong Uni-Mart

PCSC holds 55%
of stores: 191



Southeast Asia

Convenience Store

Philippine 7-ELEVEN (SEVN PM)

PCSC holds 52.22%
of stores: 2,664



* Store No. is as of end June 2019

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

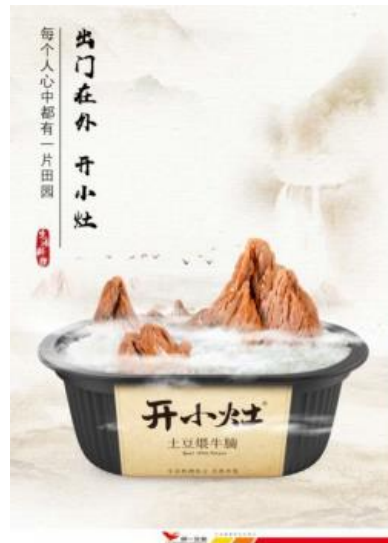
F&B Business in China

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\$4.91bn*
- Distribution to 31 provinces across China



* Market cap based on closing price HK\$8.9 as of Aug 6, 2019, US\$1=HK\$7.8331



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

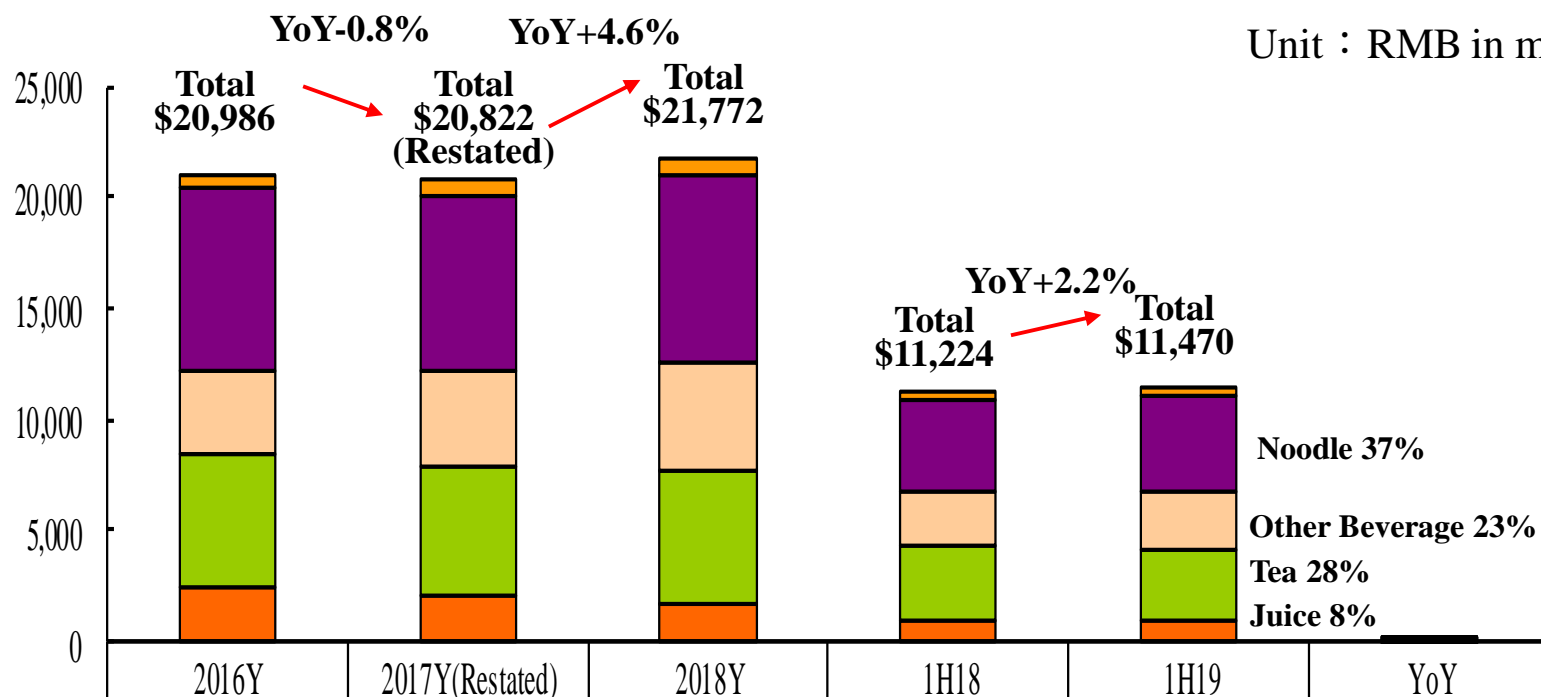
Unit : RMB in Millions

Consolidated	1H19			1H18		2018Y		2017Y(Restated)	
	Amount	% of Rev.	YoY	Amount	% of Rev.	Amount	% of Rev.	Amount	% of Rev.
Revenue	11,470	100.00%	2.19%	11,224	100.00%	21,772	100.00%	20,822	100.00%
Gross Profit	4,195	36.57%	11.66%	3,757	33.47%	7,289	33.48%	6,577	31.59%
Operaitng Profit	1,305	11.38%	39.87%	933	8.31%	1,312	6.03%	1,187	5.70%
Pre Tax Profit	1,392	12.14%	37.82%	1,010	9.00%	1,540	7.07%	1,277	6.13%
* Net Profit	997	8.69%	39.64%	714	6.36%	1,030	4.73%	878	4.22%
* EPS(cents)	23.09			16.54		23.84		20.33	
Total Payout Ratio						100%		70%	
Cash dividend/share(cents)						23.84		14.23	

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

UPCH (220HK) Sales Break-down by Products

Unit : RMB in millions



	2016Y	2017Y(Restated)	2018Y	1H18	1H19	YoY
Other Business	584	668	728	316	407	28.7%
Instant Noodles	8,221	7,974	8,425	4,152	4,268	2.8%
Other Beverage	3,766	4,360	4,953	2,445	2,693	10.1%
RTD Tea	5,915	5,826	5,944	3,394	3,184	-6.2%
RTD Juice	2,500	1,993	1,723	917	918	0.1%

UPCH (220HK) Margin & Expenses Breakdown

Gross Margin As % of revenue

	1H19	1H18
Company	36.6%	33.5%
Instant Noodle	32.2%	29.0%
Beverage	40.7%	37.5%

Expenses As % of revenue

	1H19	1H18
Company	26.3%	26.2%
Selling&Marketing	22.1%	21.8%
Administration	4.2%	4.4%

Net Margin As % of revenue

	1H19	1H18
Company	8.7%	6.4%
Instant Noodle	8.1%	5.4%
Beverage	15.5%	13.1%