

Pre-EGM briefing: proposed acquisition of Auric Pacific (M) Sdn Bhd

DKSH Holdings (M) Berhad

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Petaling Jaya, February 15, 2019

Agenda

- **About DKSH Group**
- DKSH Malaysia at a glance
- About Auric Pacific (M) Sdn Bhd
- Details of proposed acquisition
- Question-and-answer

Who we are

DKSH is the No. 1 in
Market Expansion Services

We help companies to grow their business
in new and existing markets



DKSH is a successful market leader

No. 1

Market Expansion Services
provider with a focus on Asia

1,700 clients

1,800 suppliers

19 million

transactions per year

CHF

11.3 billion

Net sales (2018)

>10 years

4 countries

average client relationship¹⁾

825

business locations

33,000

specialists

More than **150**

years in Asia

450,000

customers

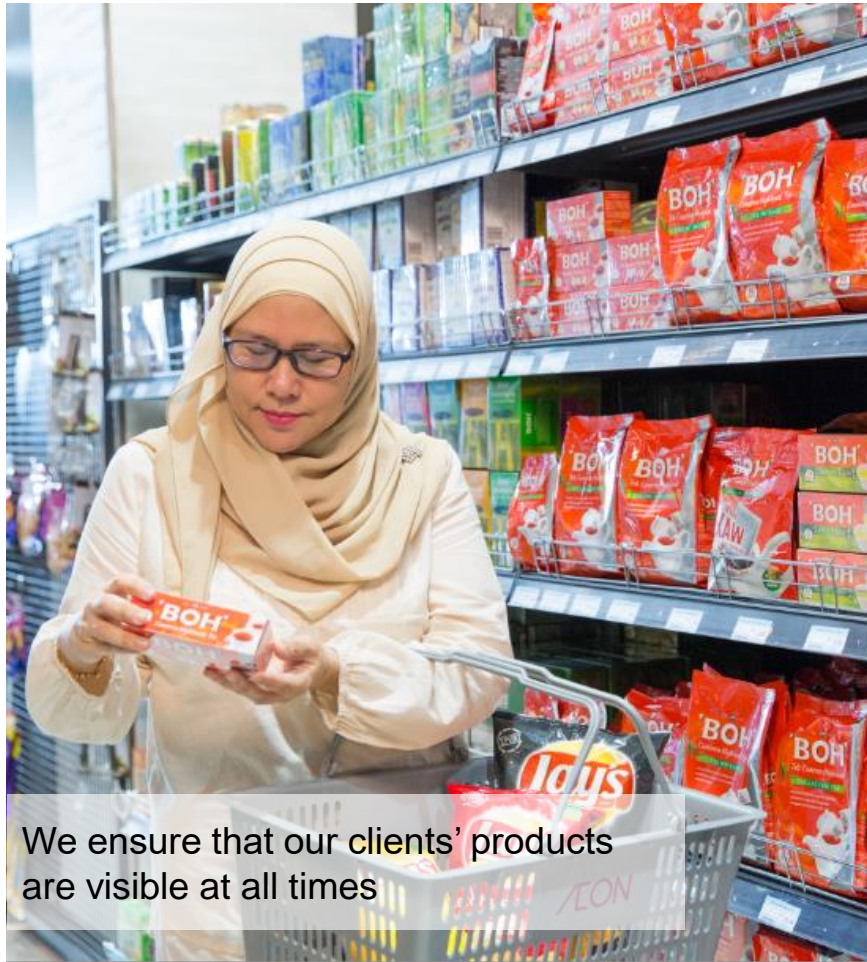
¹⁾ Top 200 clients by net sales

What we do



We generate growth opportunities through a comprehensive, tailor-made portfolio of Market Expansion Services

We support companies to grow their business in and with Asia...



We ensure that our clients' products are visible at all times

- Helping companies to grow their business in new and existing markets
- Providing business partners with the knowledge, advice, relationships and on-the-ground logistics to reach their individual growth goals
- Expanding their access to knowledge, their sourcing base, revenue opportunities, and ultimately, their market shares

**This is what we define as
Market Expansion Services**

...with a comprehensive, tailor-made portfolio of services

Market Expansion Services goes beyond offering individual services – it is about the integration of many different services to meet the needs of business partners



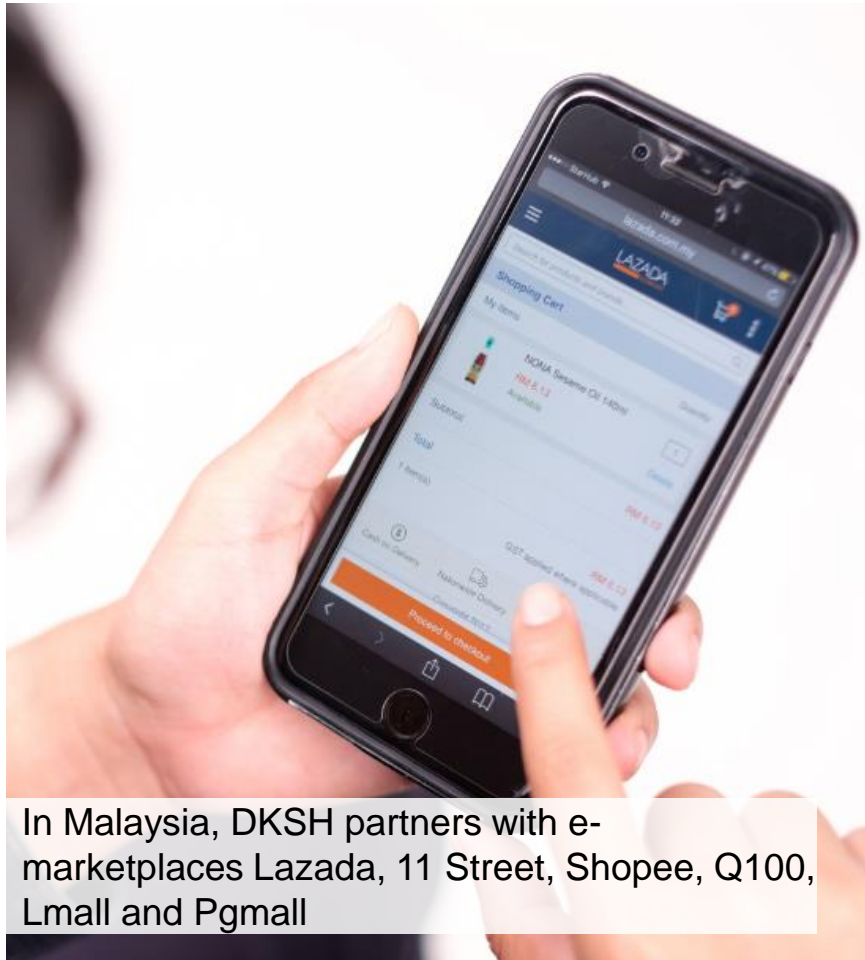
Drive sales growth in last mile of supply chain journey



DKSH Smollan Field Marketing (DSFM)

- Joint venture with Smollan Group, leading retail solutions organization
- More than 5,000 specialists servicing over 75,000 retail stores across Asia
- Present in ten countries
- Provides retail execution and brand activation services, backed by Smollan Mobile real-time reporting and retail insights

Omni-channel approach increases clients' access to market



In Malaysia, DKSH partners with e-marketplaces Lazada, 11 Street, Shopee, Q100, Lmall and Pgmall

- Offer an end-to-end portfolio of e-commerce services – from online channel management to performance marketing to e-fulfillment and customer service solutions
- Provide brands with access to over 100 online channels in Asia, from e-retailers to e-resellers to e-marketplaces to brand.com
- Operate across nine markets in Asia

We link business partners and add value to businesses



DKSH Malaysia at a glance



DKSH Malaysia at a glance



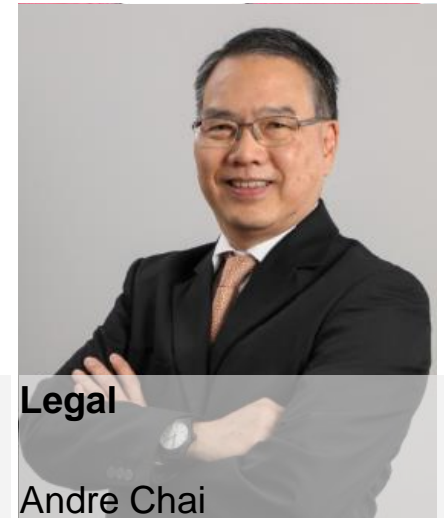
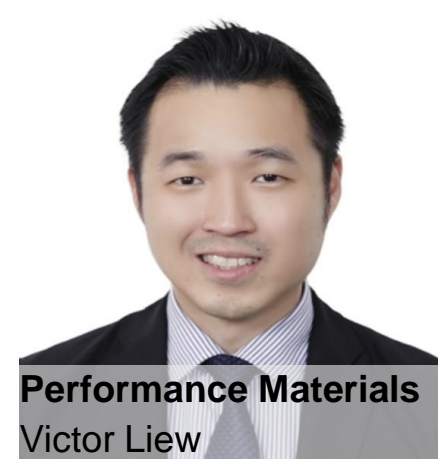
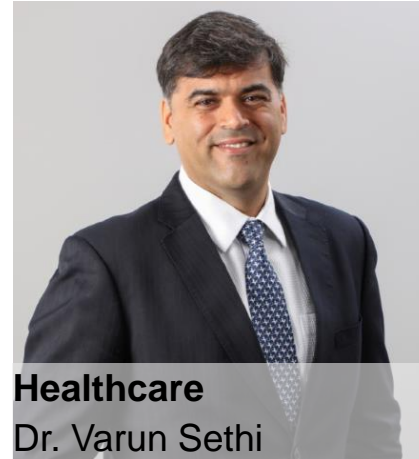
More than 90 years of success in Malaysia

Figures as of financial year 2017

Think Asia. Think DKSH.

Leadership with proven management track record

Key Senior Management



Three specialized business segments

Marketing & Distribution Services



- Fast Moving Consumer Goods
- Performance Materials

Logistics Services



- Healthcare
- Telecommunications

Others



- Famous Amos

...leading the Market Expansion Services industry with tailored solutions across the value chain

Serving both international and local brands

Trusted partner for well-known international brands

Consumer Goods:



Healthcare:



Performance Materials:



Reliable partner for Asian brands



In Malaysia for Malaysia



Potential to further strengthen our leading position in the MES industry

Increase distribution network

- Increase client base to provide larger distribution network
- Increase economies of scale to attract more clients
- Improve cost efficiencies of operations

Expand food service channels segment

- Opportunity to enter wider food service segment – restaurants, hotels, cafes
- Expand into chilled/frozen distribution channels
- Product cross-selling among various complementary segments

Expand house brand product range

- Opportunity to enter food manufacturing segment
- Opportunity to access a sizeable and growing bakery market

About Auric Pacific (M) Sdn Bhd

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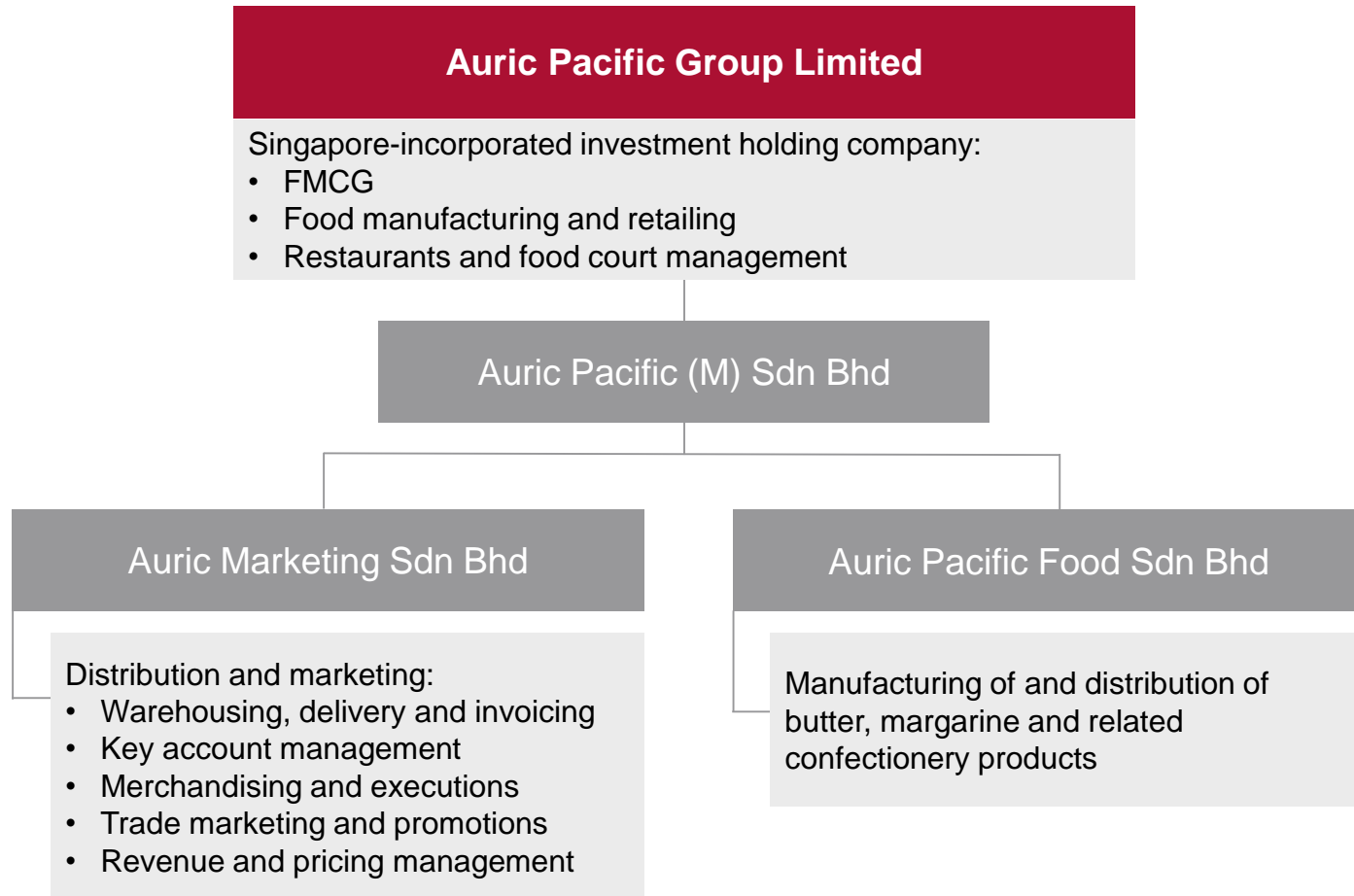
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Wholly owned subsidiary of Auric Group



Building market share for over 65 leading global consumer brands

Dairy and spreads	       
Spices, sauces and condiments	 
Cereals and biscuits	  
Sugar and baking needs	      
Canned foods and ready-to-eat	    
Dried fruits and nuts	 
Edible oils	
Beverages	
Frozen	

Market-leading house brands:



SCS:

- Leading butter brand in Malaysia
- Product portfolio includes butter-blocks, spreadable butter, cream cheese and sliced cheese
- Retail and food service channels

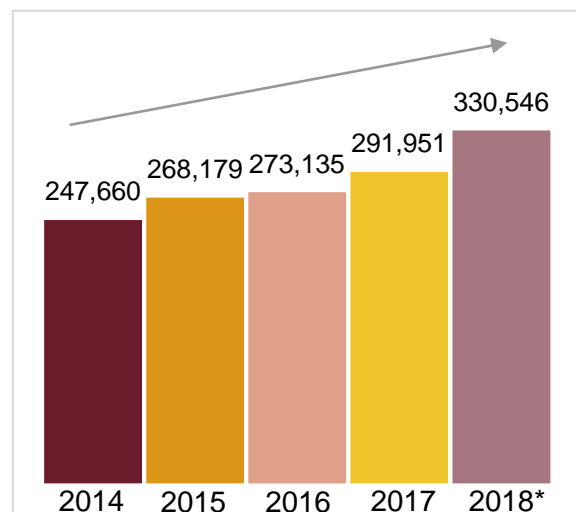


Buttercup:

- Leading mélange brand in Malaysia
- Product portfolio includes salted mélange as well as garlic, canola and olive spread
- Halal-certified
- Retail and food service channels

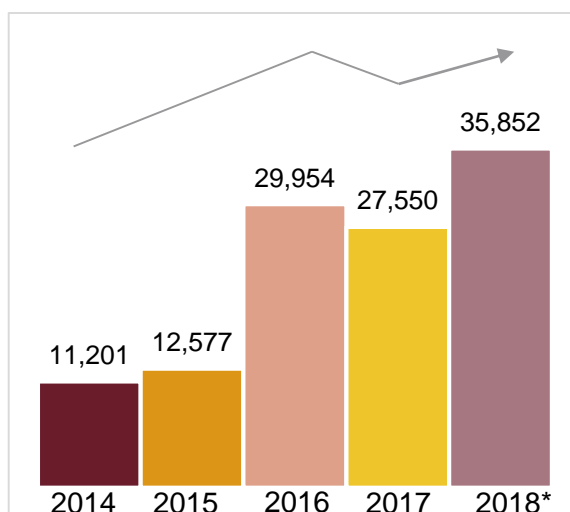
Summary of financial information

Revenue (MYR '000)



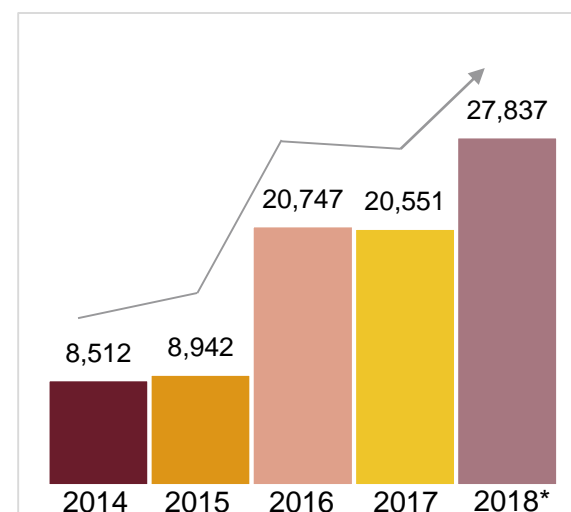
CAGR** = 6.6%

EBIT (MYR '000)



CAGR** = 33.8%

Net profit (MYR '000)



CAGR** = 24.7%

* Unaudited 12 months for the FYE December 31, 2018

** Compound Annual Growth Rate

Details of proposed acquisition

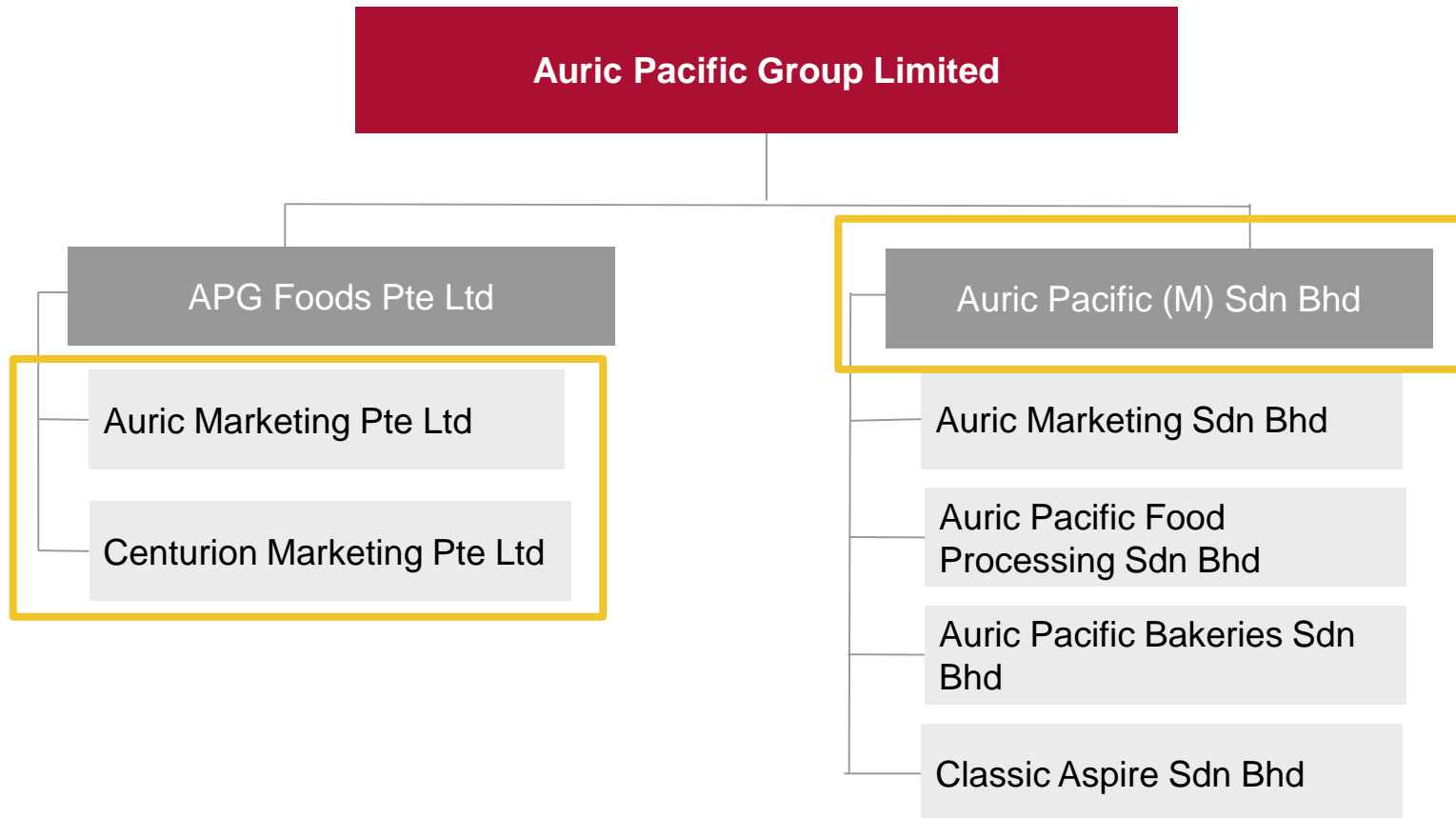
Salient points:

1 Purchase consideration: SGD 157,674,000 (equivalent to MYR 480,905,700)

2 Related party transaction:
Inter-conditionality of proposed acquisition of Auric Pacific (M) Sdn Bhd and proposed acquisition of Auric Singapore

3 Funded through bank borrowings; target to service loan in medium term

Inter-conditionality of proposed acquisition



Strategic growth initiative

Increase product portfolio

- Complementary strengths in providing Market Expansion Services
- Synergistic effect to generate positive earnings

Enhanced scale and synergies

- Grow our FMCG business to generate positive income
- Acquisition of Auric's melange manufacturing business creates greater income stream



**Increase market share in the Market Expansion Services industry
and strengthen our leading position in the FMCG industry in
Malaysia**

Strategic growth initiative to strengthen our leading MES position in Malaysia

Question-and-answer



Thank you for your attention

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