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康師傅控股

TINGYI (CAYMAN ISLANDS) HOLDING CORP.

康師傅控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0322)

PRESENTATION ON 2018 THIRD QUARTERLY RESULTS

A presentation in relation to the results of Tingyi (Cayman Islands) Holding Corp. and its subsidiaries for the Third Quarterly Results for the Nine Months Ended 30th September 2018 is appended to this announcement.

By order of the Board

Tingyi (Cayman Islands) Holding Corp.

Ip Pui Sum

Company Secretary

Hong Kong, 26 November 2018

As at the date of this announcement, Mr. Wei Ing-Chou, Mr. Junichiro Ida, Mr. Lin Chin-Tang, Mr. Nagano Teruo, Mr. Wei Hong-Ming and Mr. Koji Shinohara are executive Directors of the Company. Mr. Hsu Shin-Chun, Mr. Lee Tiong-Hock and Mr. Hiromu Fukada are independent non-executive Directors of the Company.

* For identification purposes only

website: <http://www.masterkong.com.cn>

<http://www.irasia.com/listco/hk/tingyi>

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Tingyi Holding Corp.

2018 Third Quarterly Results

26 November 2018

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Contents

- **3Q2018 review**
- **Financial highlights**
- **Market shares**
- **Distribution network**
- **Production summary**

3Q2018 – Sales & Profit

RMBmn	3Q2018	3Q2017	Change%
Revenue	18,863	19,687	-4.19
Gross Profit	6,294	6,397	-1.61
Gross Margin	33.37%	32.50%	0.87ppt.
EBITDA	3,441	3,419	0.65
Profit	1,906	1,883	1.19
Profit attributable to owners of the Company	1,554	1,238	25.52
EPS (RMB cents)	27.66	22.09	5.57 cents

1-9/2018 – Sales & Profit

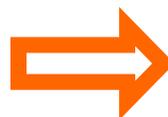
RMBmn	1-9/2018	1-9/2017	Change%
Revenue	49,859	48,254	3.32
Gross Profit	15,975	14,711	8.59
Gross Margin	32.04%	30.49%	1.55ppt.
EBITDA	7,182	6,762	6.20
*EBITDA	7,389	6,762	9.27
Profit	3,394	2,763	22.82
Profit attributable to owners of the Company	2,861	1,938	47.58
EPS (RMB cents)	50.93	34.58	16.35 cents

*EBITDA: Excluding the effects of the income of activation on assets and the provision of impairment losses on machinery and equipment.

Revenue by Products

RMBmn	3Q2018	3Q2017	Change%
Instant Noodles	6,752	6,707	0.66
Beverages	11,749	12,569	-6.52
Instant Food	193	231	-16.45
Others	169	180	-6.00
Total	18,863	19,687	-4.19

3Q2017



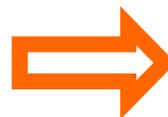
3Q2018



Revenue by Products

RMBmn	1-9/2018	1-9/2017	Change%
Instant Noodles	17,886	16,979	5.34
Beverages	30,897	30,105	2.63
Instant Food	578	629	-8.06
Others	498	541	-8.03
Total	49,859	48,254	3.32

1-9/2017

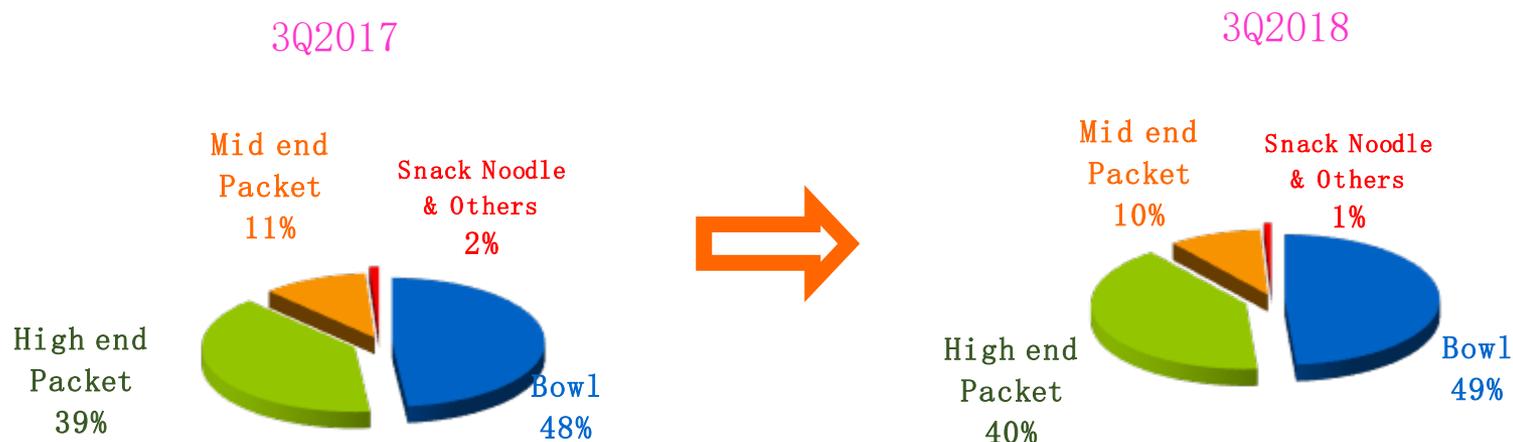


1-9/2018



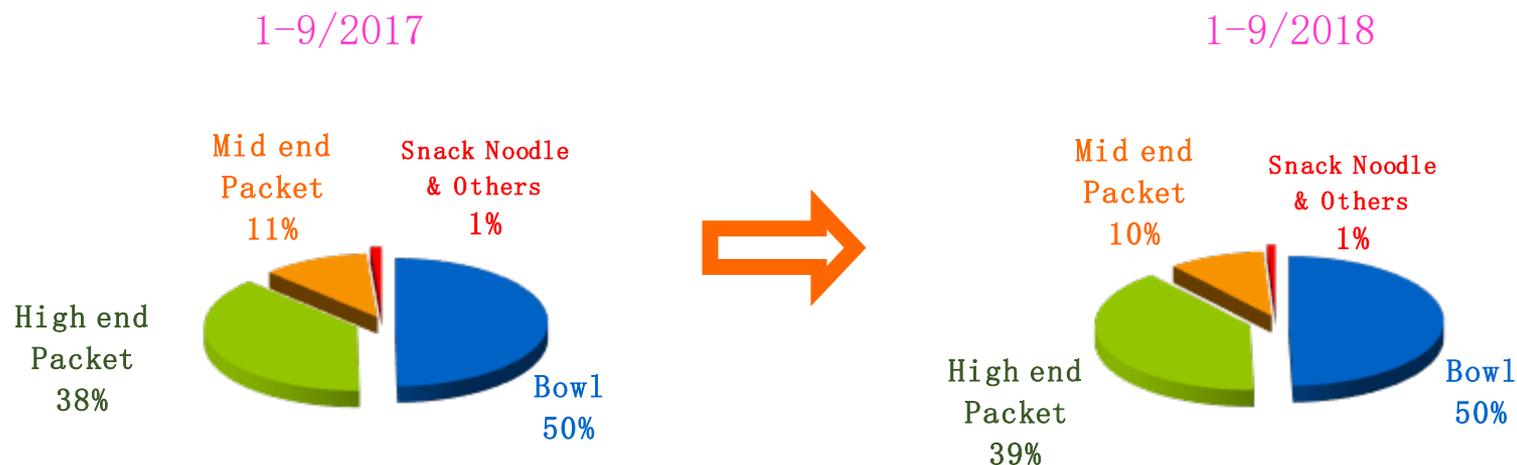
Instant Noodle Sales by Products

RMBmn	3Q2018	3Q2017	Change%
Bowl	3,296	3,244	1.62
High end Packet	2,748	2,648	3.78
Mid end Packet	654	748	-12.52
Snack Noodle & Others	54	67	-21.65
Total	6,752	6,707	0.66



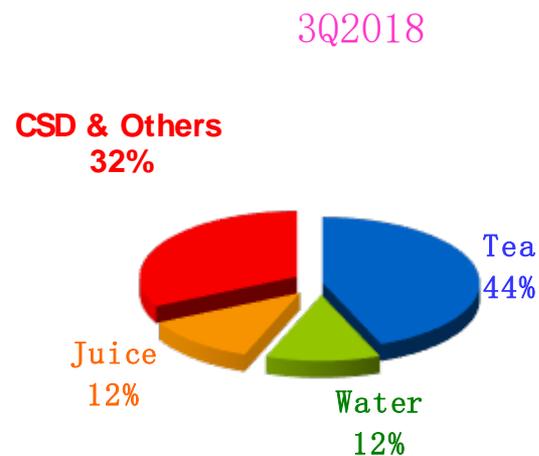
Instant Noodle Sales by Products

RMBmn	1-9/2018	1-9/2017	Change%
Bowl	8,866	8,449	4.94
High end Packet	7,061	6,404	10.26
Mid end Packet	1,803	1,924	-6.28
Snack Noodle & Others	156	202	-23.19
Total	17,886	16,979	5.34



Beverage Sales by Products

RMBmn	3Q2018	3Q2017	Change%
Tea	5,163	5,487	-5.92
Water	1,383	2,179	-36.54
Juice	1,396	1,676	-16.67
Carbonated drinks and Others	3,807	3,227	18.01
Total	11,749	12,569	-6.52

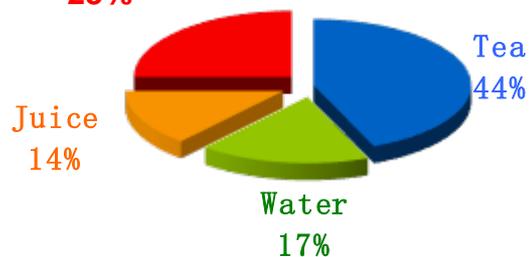


Beverage Sales by Products

RMBmn	1-9/2018	1-9/2017	Change%
Tea	13,895	13,173	5.48
Water	3,973	5,250	-24.32
Juice	3,729	4,148	-10.10
Carbonated drinks and Others	9,300	7,534	23.44
Total	30,897	30,105	2.63

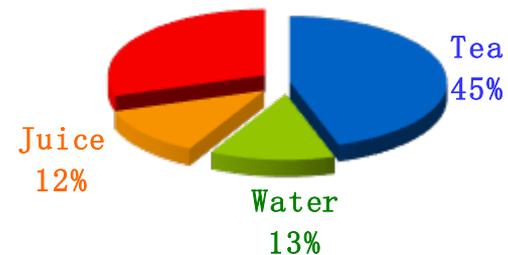
1-9/2017

CSD & Others
25%

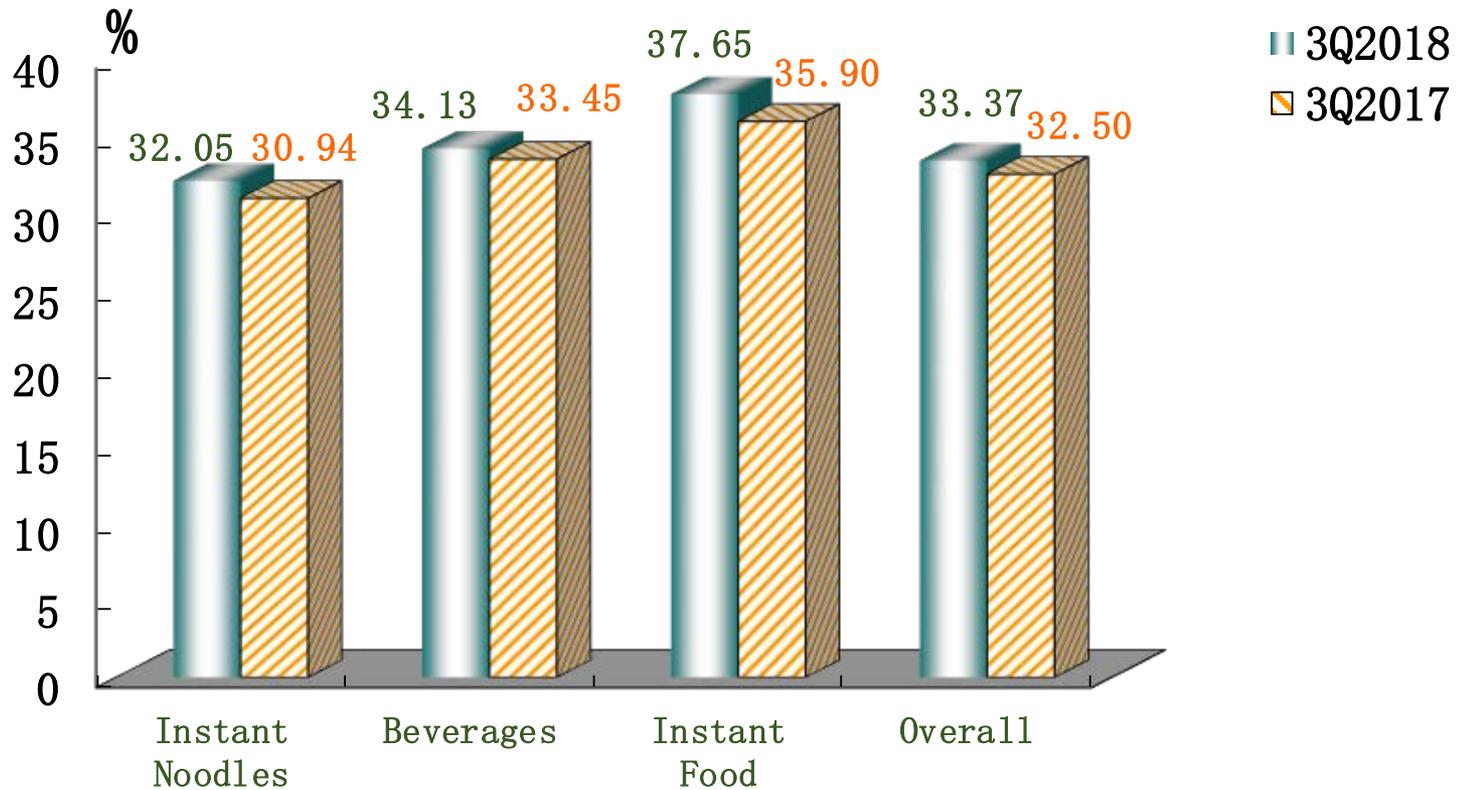


1-9/2018

CSD & Others
30%



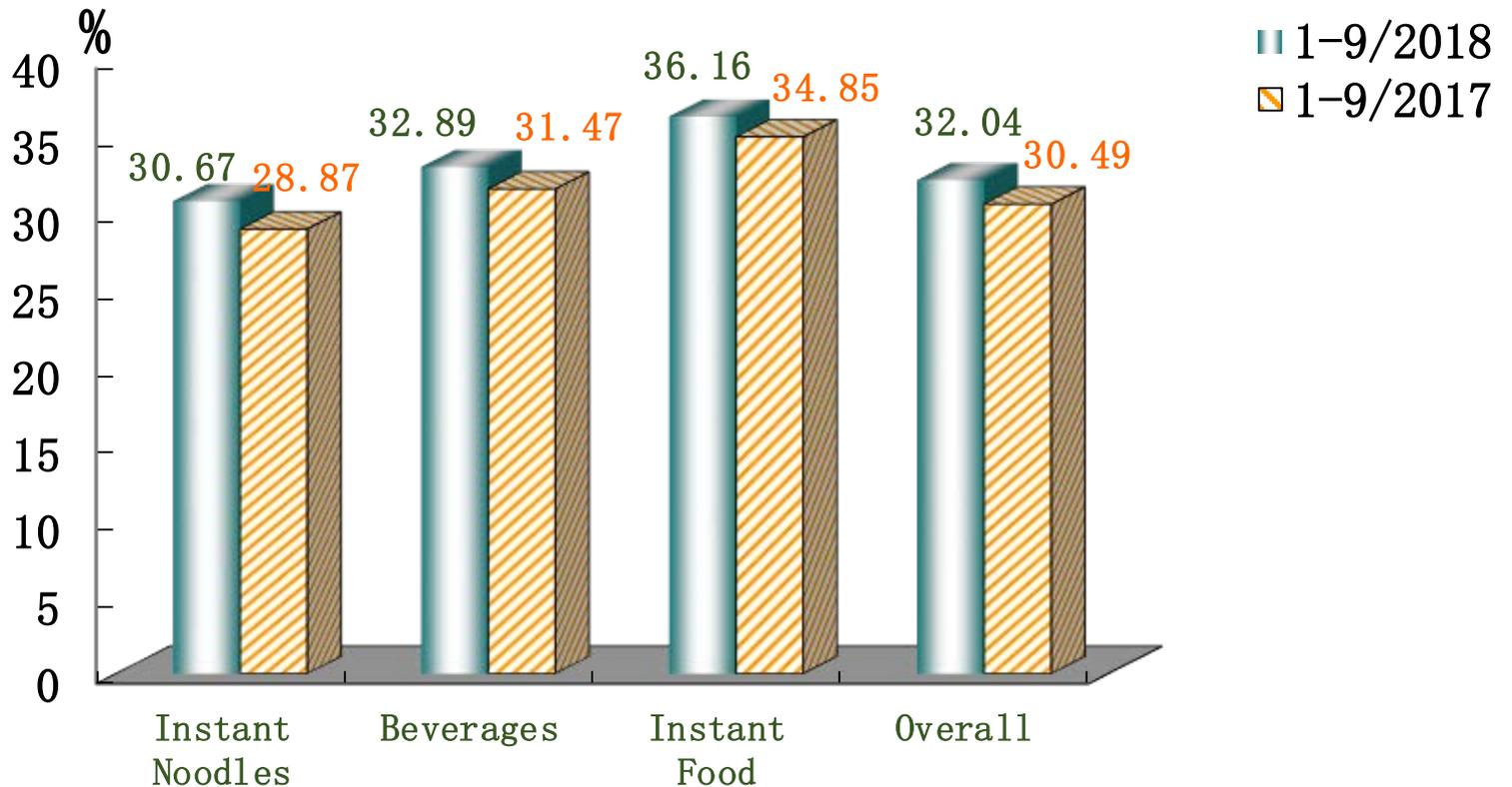
Gross Margin by Products



Change (ppt.)

1.11	0.68	1.75	0.87
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Gross Margin by Products



Change (ppt.)

1.80	1.42	1.31	1.55
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EBIT by Products

RMB '000	3Q2018	3Q2017	Change%
Instant Noodles	999,788	841,644	18.79
Beverages	1,580,373	1,692,157	-6.61
Instant Food	-5,125	5,403	-194.85
Others	48,439	-22,574	314.58
Group EBIT	2,623,475	2,516,630	4.25

EBIT by Products

RMB '000	1-9/2018	1-9/2017	Change%	*1-9/2018	Change%
Instant Noodles	1,879,183	1,484,628	26.58	2,136,973	43.94
Beverages	2,333,186	2,379,021	-1.93	2,672,776	12.35
Instant Food	-12,838	-10,445	-22.91	-12,838	-22.91
Others	479,084	161,515	196.62	89,335	-44.69
Group EBIT	4,678,615	4,014,719	16.54	4,886,246	21.71

*1-9/2018 : Excluding the effects of the income of activation on assets and the provision of impairment losses on machinery and equipment.

Profit

2018
巩固·革新·发展



RMB '000	3Q2018	3Q2017	Change%
Instant Noodles	714,802	626,193	14.15
Beverages	1,236,275	1,331,166	-7.13
Instant Food	-6,062	3,763	-261.09
Others	-39,334	-77,796	49.44
Group Profit	1,905,681	1,883,326	1.19

Profit

RMB '000	1-9/2018	1-9/2017	Change%	*1-9/2018	Change%
Instant Noodles	1,381,755	1,158,473	19.27	1,562,208	34.85
Beverages	1,774,670	1,669,531	6.30	2,012,383	20.54
Instant Food	-13,867	-10,912	-27.08	-13,867	-27.08
Others	251,417	-53,616	568.92	-139,802	160.74
Group Profit	3,393,975	2,763,476	22.82	3,420,922	23.79

*1-9/2018 : Excluding the effects of the income of activation on assets and the provision of impairment losses on machinery and equipment, net of tax.

Financial Position

As at 30/09/2018

As at 31/12/2017

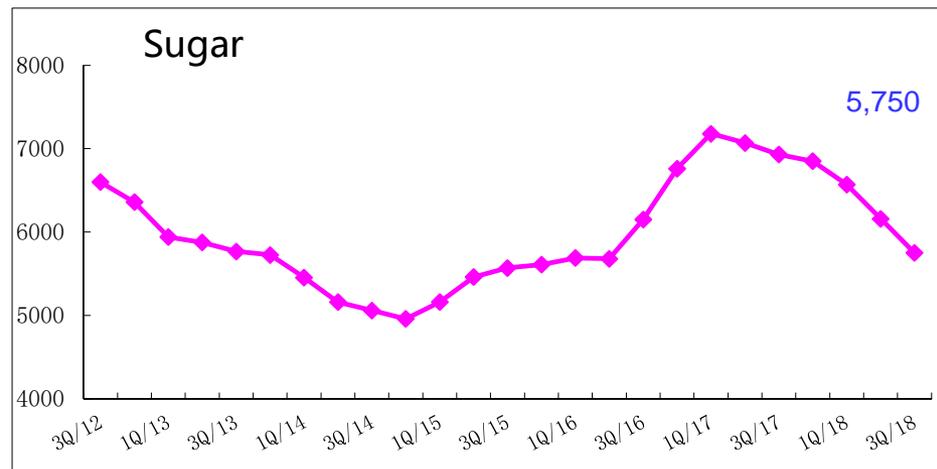
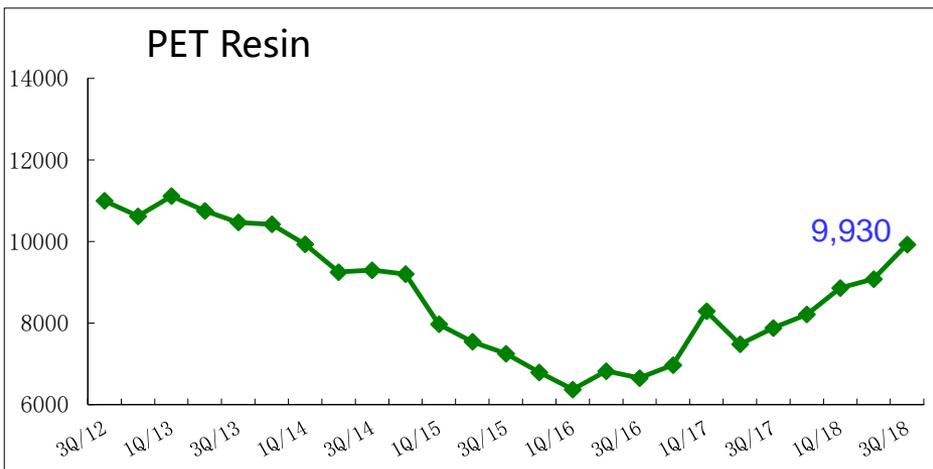
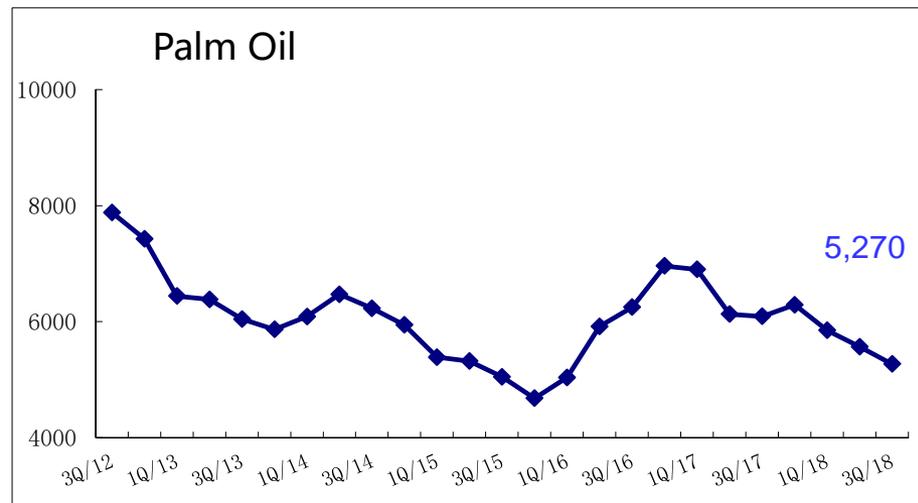
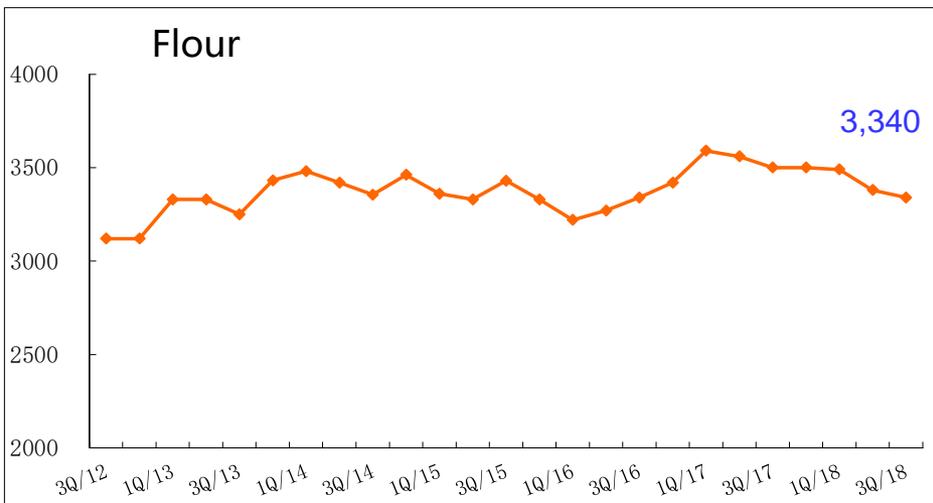
*ROA (Annualized)	11.54%	6.47%
*ROE (Annualized)	19.84%	9.96%
Current Ratio	0.96	0.79
Gearing Ratio	-16.44%	22.26%
A/R Revenue /Days	10.76	9.99
Finished Goods Revenue/Days	10.81	11.31
Cash and cash equivalents	12.904 billion	10.285 billion

*ROA: EBIT to average total assets

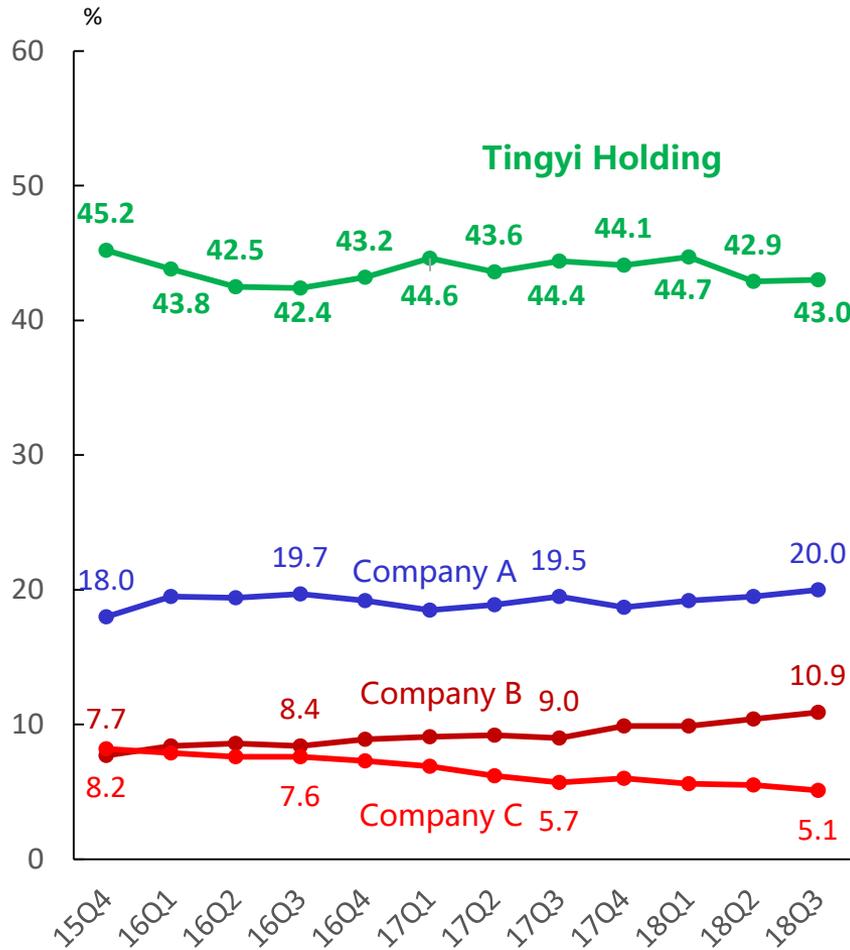
*ROE: Profit attributable to equity holders of the Company to average net assets

Material Price

RMB/Ton

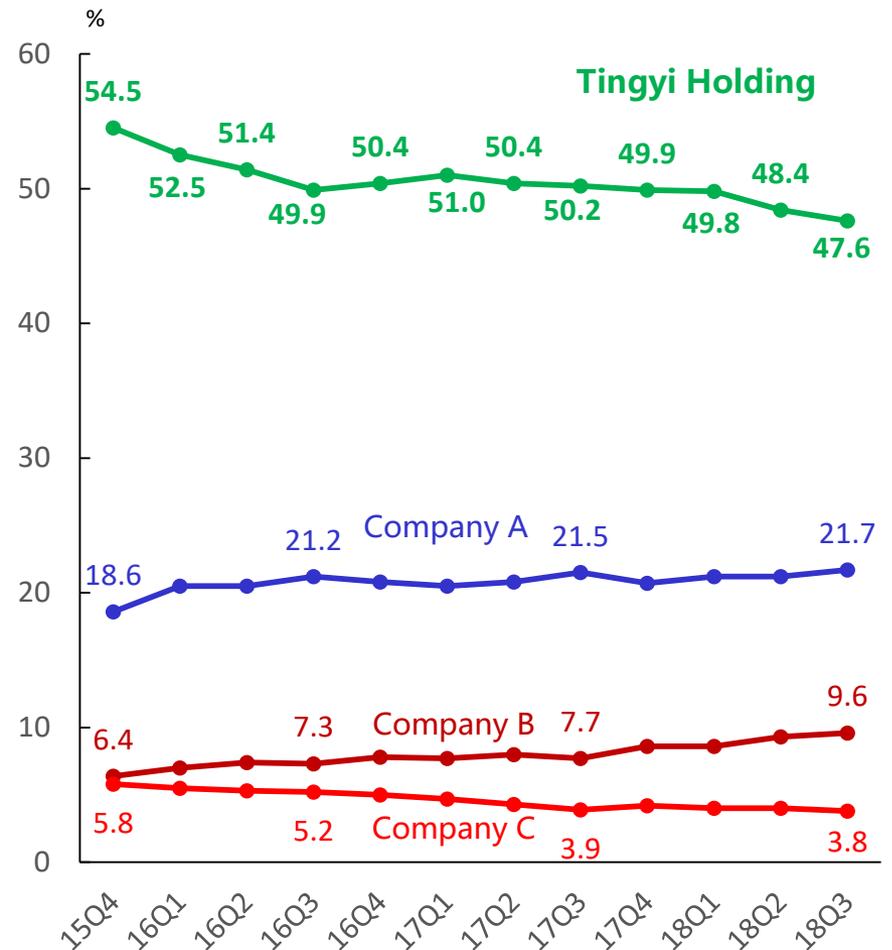


Instant Noodle Market Share-by Volume



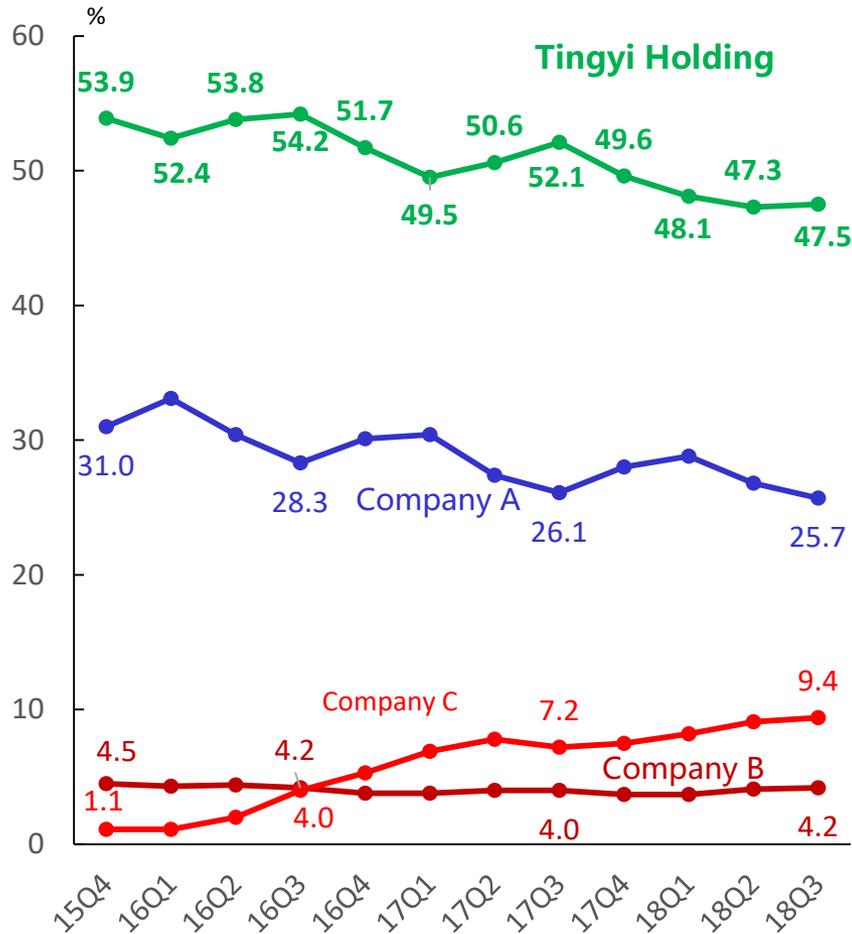
Source: Nielsen

Instant Noodle Market Share-by Value

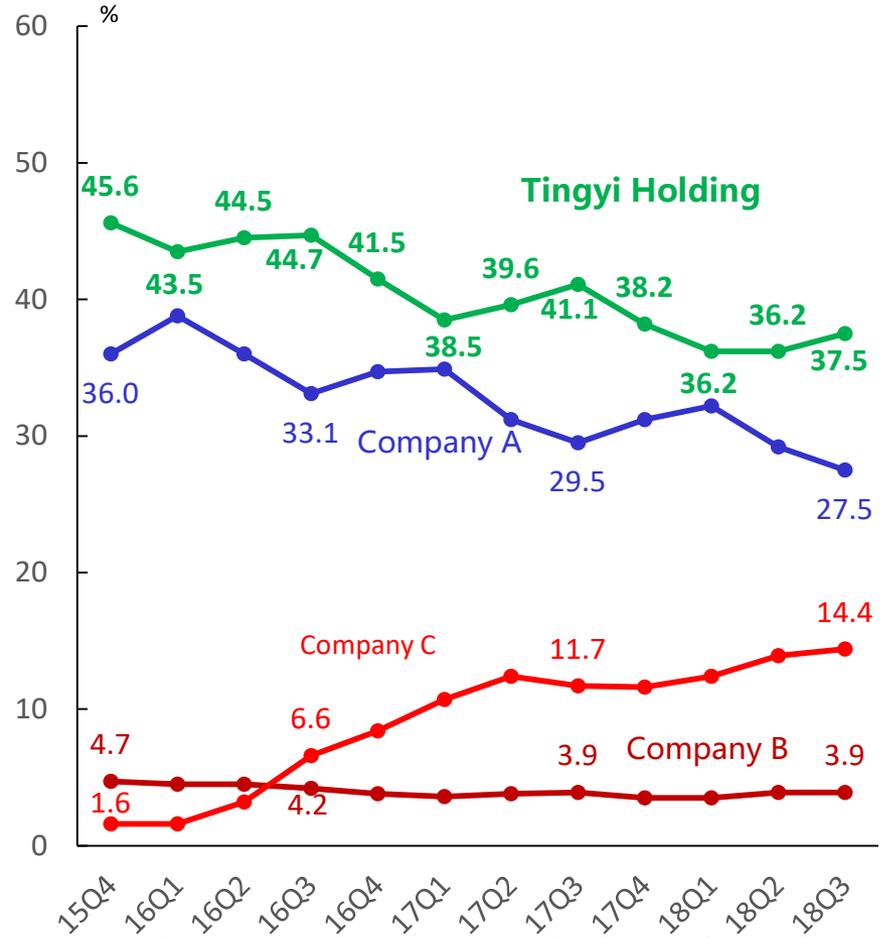


*Data difference comes from the upgrade of Nielsen Retail Research Service Panel in June 2018. Effective data is backtracked from January 2017, and is based on the same statistical logic simulation pushed back to July 2015 data.

RTD Tea Market Share-by Volume



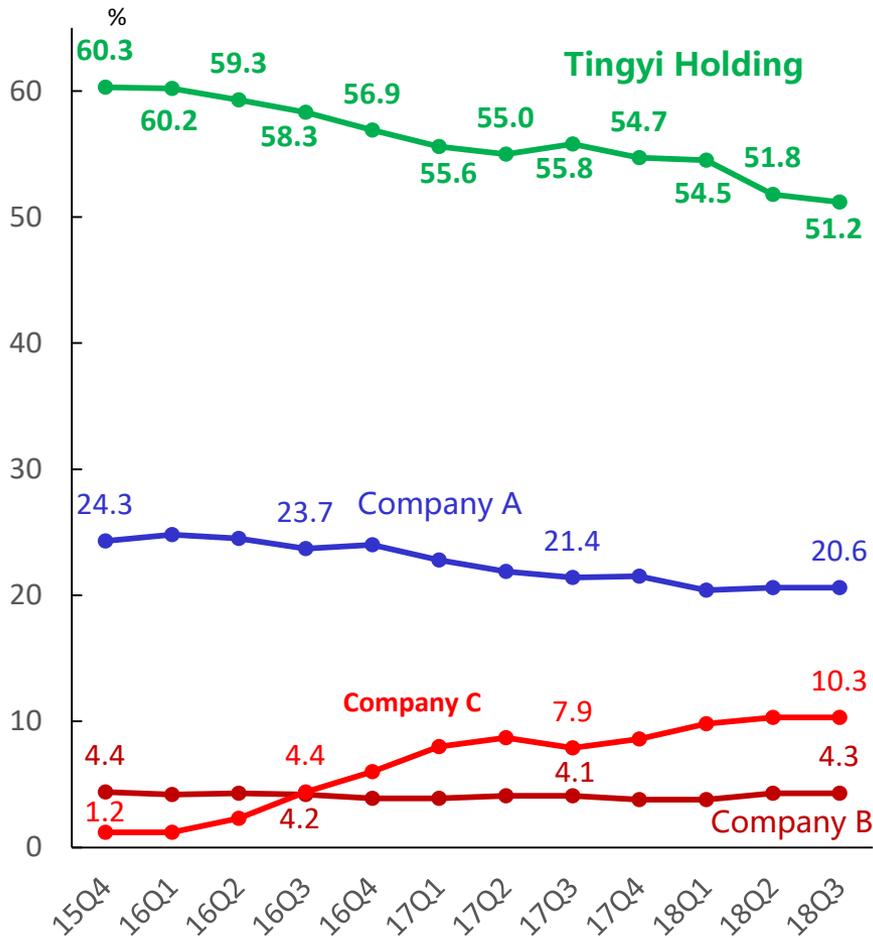
RTD Tea Market Share-by Value



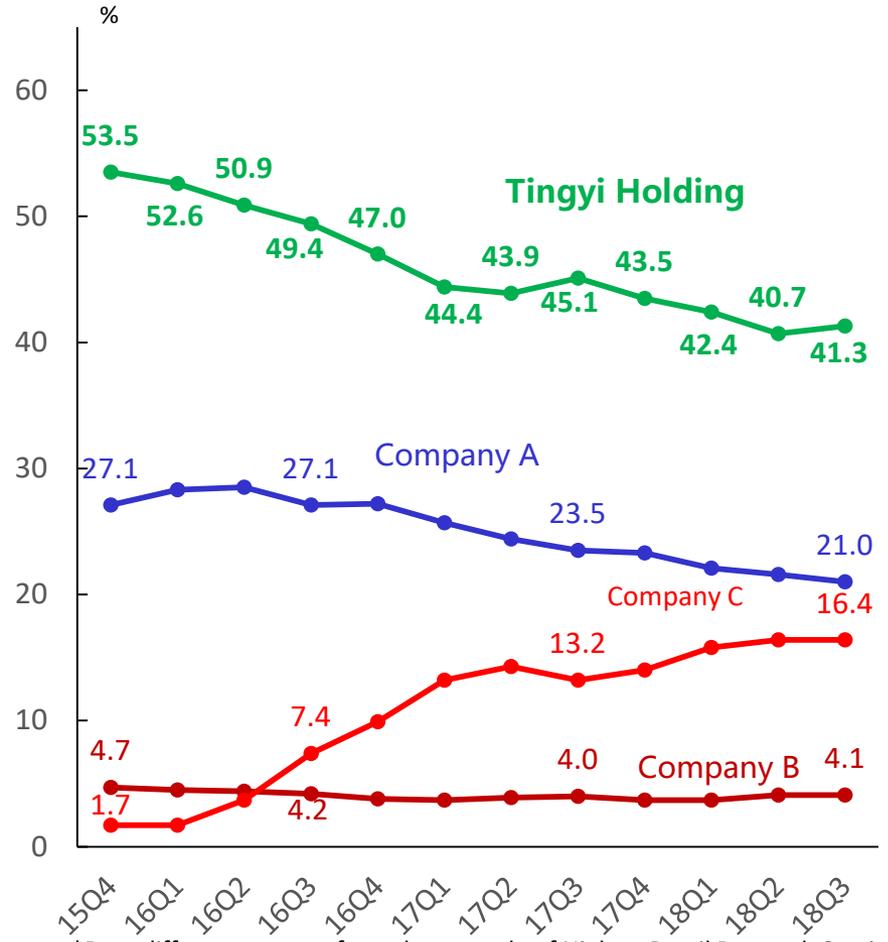
*Data difference comes from the upgrade of Nielsen Retail Research Service Panel in June 2018. Effective data is backtracked from January 2017, and is based on the same statistical logic simulation pushed back to July 2015 data.

Source: Nielsen

RTD Tea (no milk tea) Market Share-by Volume



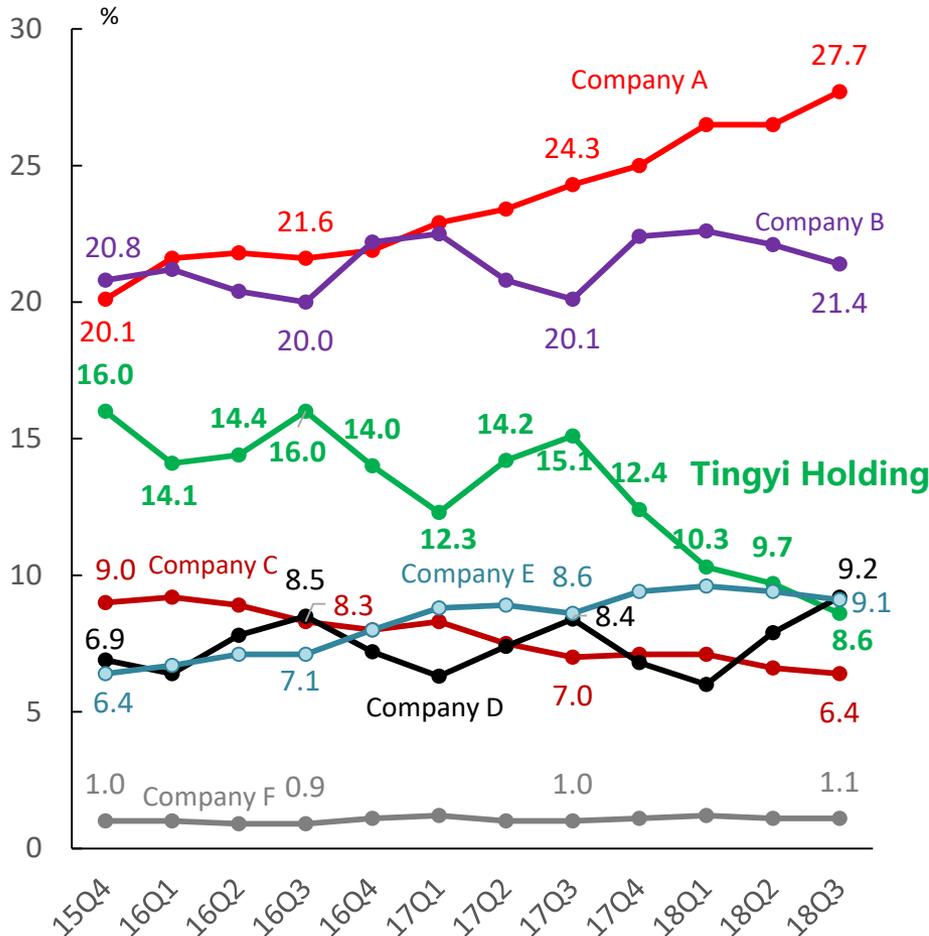
RTD Tea (no milk tea) Market Share-by Value



*Data difference comes from the upgrade of Nielsen Retail Research Service Panel in June 2018. Effective data is backtracked from January 2017, and is based on the same statistical logic simulation pushed back to July 2015 data.

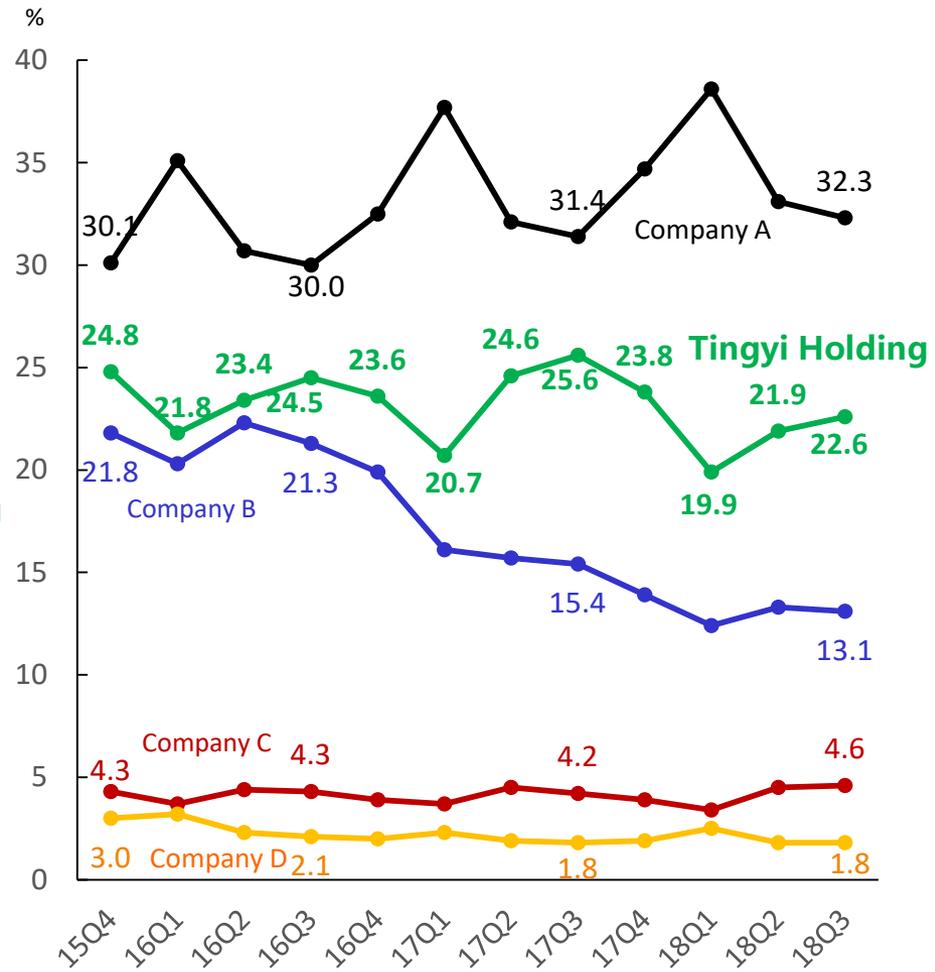
Source: Nielsen

Bottle Water Market Share-by Volume



Source: Nielsen

Diluted Juice Drinks (below 26% juice content) Market Share-by Volume



*Data difference comes from the upgrade of Nielsen Retail Research Service Panel in June 2018. Effective data is backtracked from January 2017, and is based on the same statistical logic simulation pushed back to July 2015 data.

A) Nation-Wide Distribution Network

	As at 30/09/2018	As at 30/06/2018	As at 31/12/2017
*Sales Office	369	369	369
Warehouse	100	98	92
Wholesaler	31,215	32,758	35,163
Direct Retailer	136,265	135,389	129,449

*Sales Office: The statistics are based on the middle size sales units located in the prefecture-level city

B) Production Lines

Noodles	184	184	205
Beverage	432	439	455
Instant Food	16	16	16

