

# **BJC Corporate Presentation**

**Berli Jucker Public Company Limited**

March 2014



## Note on Forward Looking Statements



The following presentation may contain forward looking statements by the management of Berli Jucker Public Company Limited ("BJC"), relating to financial or other trends for future periods, compared to the results for previous periods.

Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be constructed as a representation as to future performance of BJC. In particular, such targets should not be regarded as a forecast or projection of future performance of BJC. It should be noted that the actual performance of BJC may vary significantly from such targets.

# Agenda



-  **Company Overview**
-  **BJC's Business**
-  **Financial Performance**
-  **Growth and Strategy**



## Company Overview

# An Integral Part of TCC Group

## One of the Region's Largest Diversified Conglomerate



TCC GROUP

### Property & Real Estate



**TCC Land Co. Ltd.**  
Private

- Residential
- Hotel & Hospitality
- Commercial & Retail
- Industrial development
- Master plan development
- Over 79,880 acres of high potential land bank
- 46 hotels 10,345 rooms
- 32 hotels in Thailand.
- 14 hotels abroad
- 8 office buildings with 834,139 sqm. office space
- 20 retail buildings with 827,644 sqm. retail space

### Food & Beverages



**Thai Beverage PLC.**  
Listed on SGX

- Alcohol Beverages
- Non-alcohol Beverages
- Other businesses
- Listed on the SGX market cap THB 382 BN
- 3 breweries, 18 distilleries in Thailand, 6 distilleries overseas and 6 manufacturing facilities for non-alcohol
- Largest market share in Spirits and green tea

### Manufacturing, Marketing, Distribution, Investment



**Berli Jucker PLC**  
Listed on SET

- Packaging Supply Chain
- Consumer Supply Chain
- Healthcare Supply Chain
- Technical Supply Chain
- Retail Business Group
- International Business Group
- Listed on the SET50 with market cap THB 75,546 MN
- Operate through 6 office locations in South East Asia

### Insurance & Leasing



**Southeast Insurance Group Co Ltd**  
Private

- General Assurance
- Life Assurance
- Car Leasing
- Over 1,307 employees and 8,056 insurance agents
- Serve more than 805,111 customers with more 4,000 cars in portfolio

### Agro-Industrial Business



**Plantheon Group**  
Private

- Agro-Plantation
- Sugar Industry
- Food Processing
- Agro Technology
- Indochina Projects
- Own more than 89,930 acres of agricultural land plot nationwide
- Sugar mills' registered production capacity over 100,000 tons/day of sugarcane

# BJC Milestone



1882

Established by Albert Jucker and Henry Sigg as "Jucker & Sigg & Co."

1975

1 of the first 7 companies listed on the Stock Exchange of Thailand

1993

Transformed to Berli Jucker Public Company Limited (BJC)

2001

**TCC Group became the major shareholder**

2006

Became Thailand's largest tissue manufacturer

2007

Acquired 50% stake of Thai Beverage Can

2008

Acquired 100% stake of Jacy Food (Malaysia)

2010

- Jointly acquired Malaya Glass with Owen Illinois to own the plants in Malaysia, Vietnam, Thailand
- JV with Ball Corporation to establish aluminum can factory in Vietnam

2011

- Acquired 100% stake of Asia Books, 1st and largest English bookstore chain in Thailand

2012

- Included in SET 50 (Since January 2012)
- Acquired 51% stake in Danone Dairy Thailand

2013

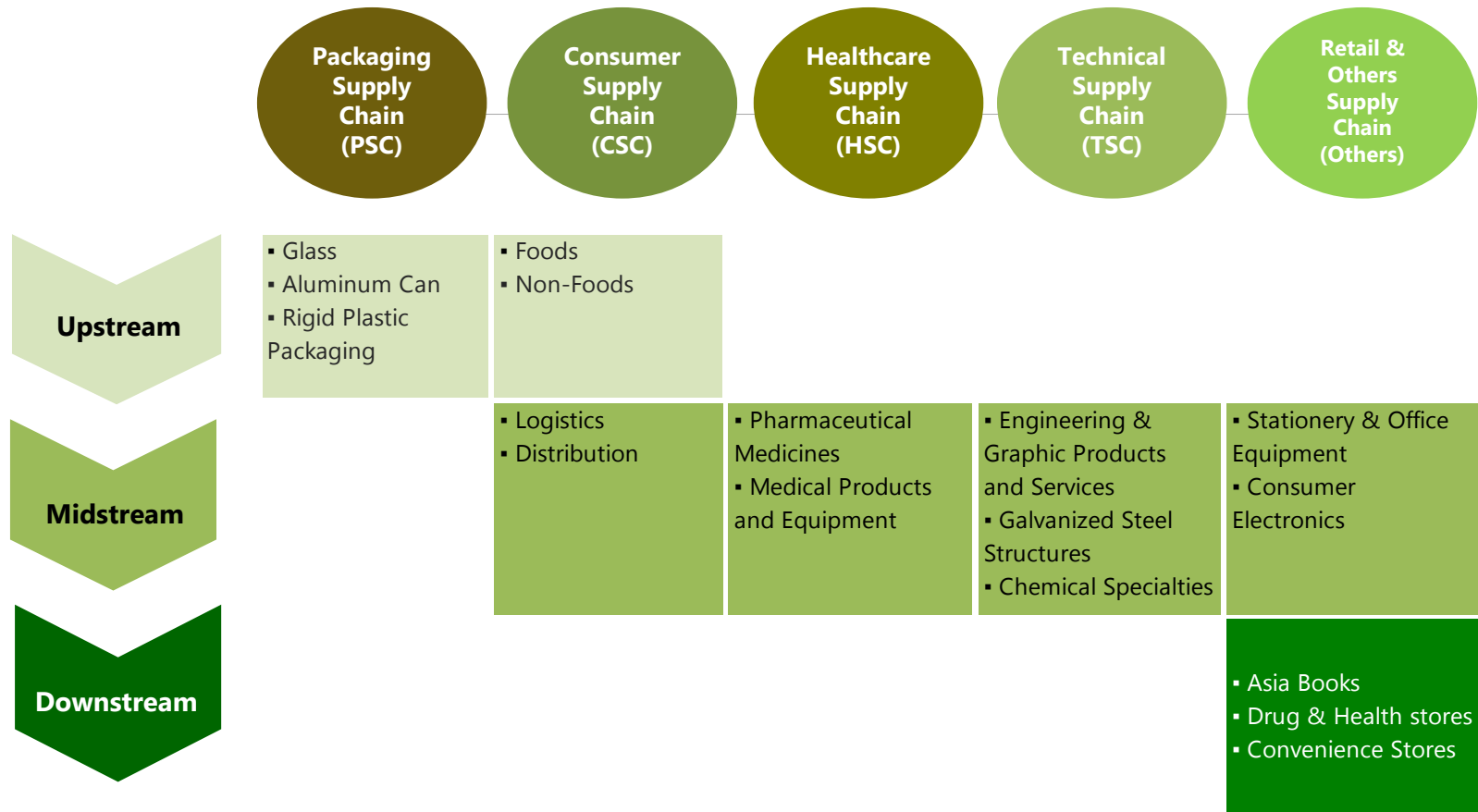
- Acquired 65% of Thai An, a distributor of consumer products in Hanoi
- Provided financial support to Phu Thai Group to buy back capital from owner of convenience stores in Vietnam
- Opened up "Ogenki", BJC's first drug and health store



# A Large and Diversified Business

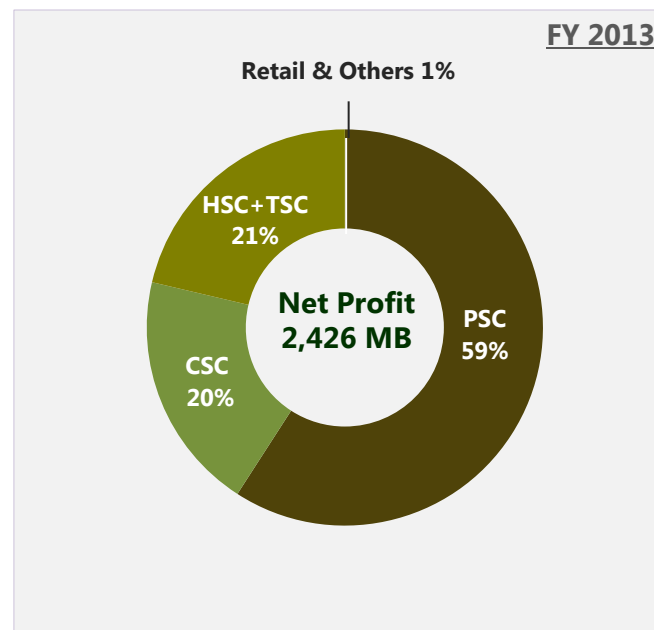
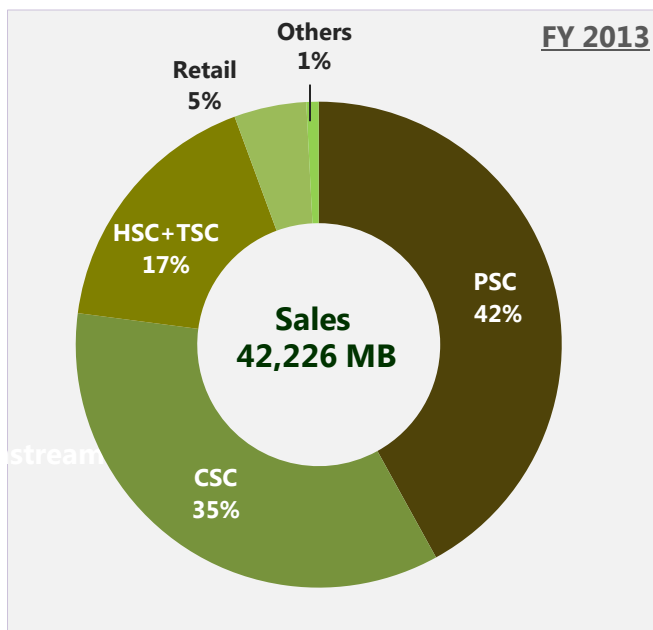


BJC's business can be categorized into 5 Supply Chains.





# Revenue and Net Profit Breakdown








# Glass Packaging



*Sales Contribution: 64% of 2013 PSC Sales*

- Manufacture and distribute glass containers in a wide range of designs including beer, whisky, wine, drinking water, soda water, soft drinks, energy drinks, foods, and pharmaceuticals
- Largest glass packaging manufacturer in SEA with 3 production facilities in Thailand, Malaysia, and Vietnam
- Long-term partnership with Owen-Illinois Inc. (O-I), the world's largest glass containers producer



		Capacity (Ton/day)	Market Share	Key Players	Major Customers
	<b>Thailand</b>	2,775	<b># 2</b>	3	Thai Beverage, Cerebos, Hales, Greenspot
	<b>Malaysia</b>	445	<b># 1</b>	2	APB, Myanmar Brewery, Nestle, Carlsberg
	<b>Vietnam</b>	280	<b># 1</b>	1	Sabeco, Pepsi Co
	<b>Total</b>	<b>3,500</b>			

# Aluminum Can Packaging



*Sales Contribution: 36% of 2013 PSC Sales*

- Manufacture and distribute two-piece aluminum cans and ends, focusing on beer, soft drinks, soda water, and energy drinks
- Largest aluminum can manufacturer in Thailand and one production facility in Vietnam
- Partnership with Ball Corporation, a leading aluminum can packaging company in the US

		Can Capacity (mil. cans)	End Capacity (mil. ends)	Market Share	Key Players	Major Customers
	<b>Thailand</b>	2,200	2,700	<b># 1</b>	3	Thai Beverage, Red Bull, Coca Cola
	<b>Vietnam</b>	850	-	<b># 2</b>	2	Carlsberg, Heineken, Pepsi Vietnam
	<b>Total</b>	<b>3,050</b>	<b>2,700</b>			



## Snack & Beverage

### BJC's owned brands

Sales Contribution: 31% of 2013 CSC Sales



Potato Chip



Extruded Snack

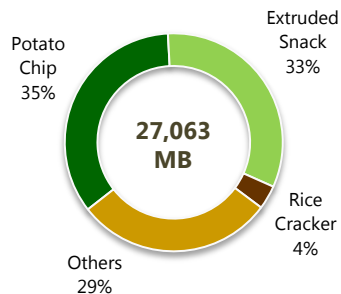


Rice Cracker

- Offer almost in full scale service, from the upstream, such as agriculture, manufacture, to midstream, such as marketing and distribution
- Offer wide range of snack and beverage products both owned brands and 3<sup>rd</sup> parties principal brands
- Expertise in consumer goods distribution network

### Thailand Snack Market

### Market Share



Potato Chip # 2

Extruded Snack # 2

Rice Cracker # 1

## Dairy Product: Yogurt

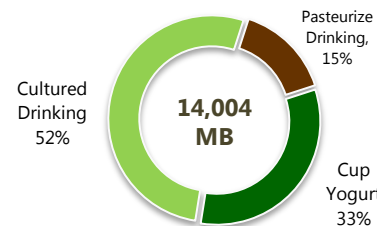
Sales Contribution: 4% of 2013 CSC Sales



- JV with Danone, # 1 globally in fresh dairy products, to manufacture, market and distribute fresh dairy products, including cup and drinkable yogurt
  - Leverage on BJC's expertise in consumer goods distribution and channel development
  - Leverage on Danone's expertise in fresh dairy manufacturing and R&D

### Thailand Yogurt Market

### Market Share



Cup Yogurt # 2

Drinking Yogurt # 3

# Non-Foods Group



## Tissue Paper

**BJC's owned brands**

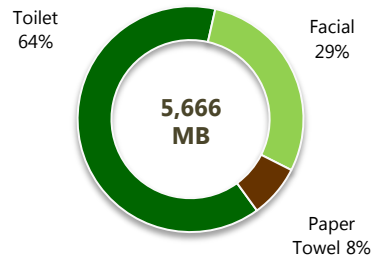
*Sales Contribution: 22% of 2013 CSC Sales*



- Leading tissue manufacturer in Thailand with capacity of 45,000 ton per year
- Offer several product categories i.e. toilet tissue, facial tissue, napkins and paper towel

### Thailand Tissue Paper Market

### Market Share



Toilet Tissue # 2

Facial Tissue # 2

Overall # 2

## Soap, Personal Care, Skincare

**BJC's owned brands**

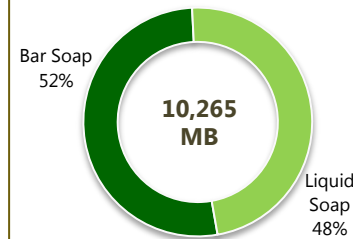
*Sales Contribution: 15% of 2013 CSC Sales*



- Manufacture, market and distribute soap, skincare and cosmetics of our owned brands and for 3rd parties

### Thailand Soap Market

### Market Share



Bar Soap # 1

Liquid Soap # 7

Overall # 3

## Logistics

*Sales Contribution: 5% of 2013 CSC Sales*



- Leading provider of integrated supply chain and logistics solutions
- Offer services to a broad customer-base both BJC core business units and external parties
- Currently control over 68,900 square meters of warehousing in 6 locations

## Trading & Distribution in Vietnam

*Sale Contribution: 23% of 2013 CSC Sales*

### Thai Corp International (Vietnam) Limited



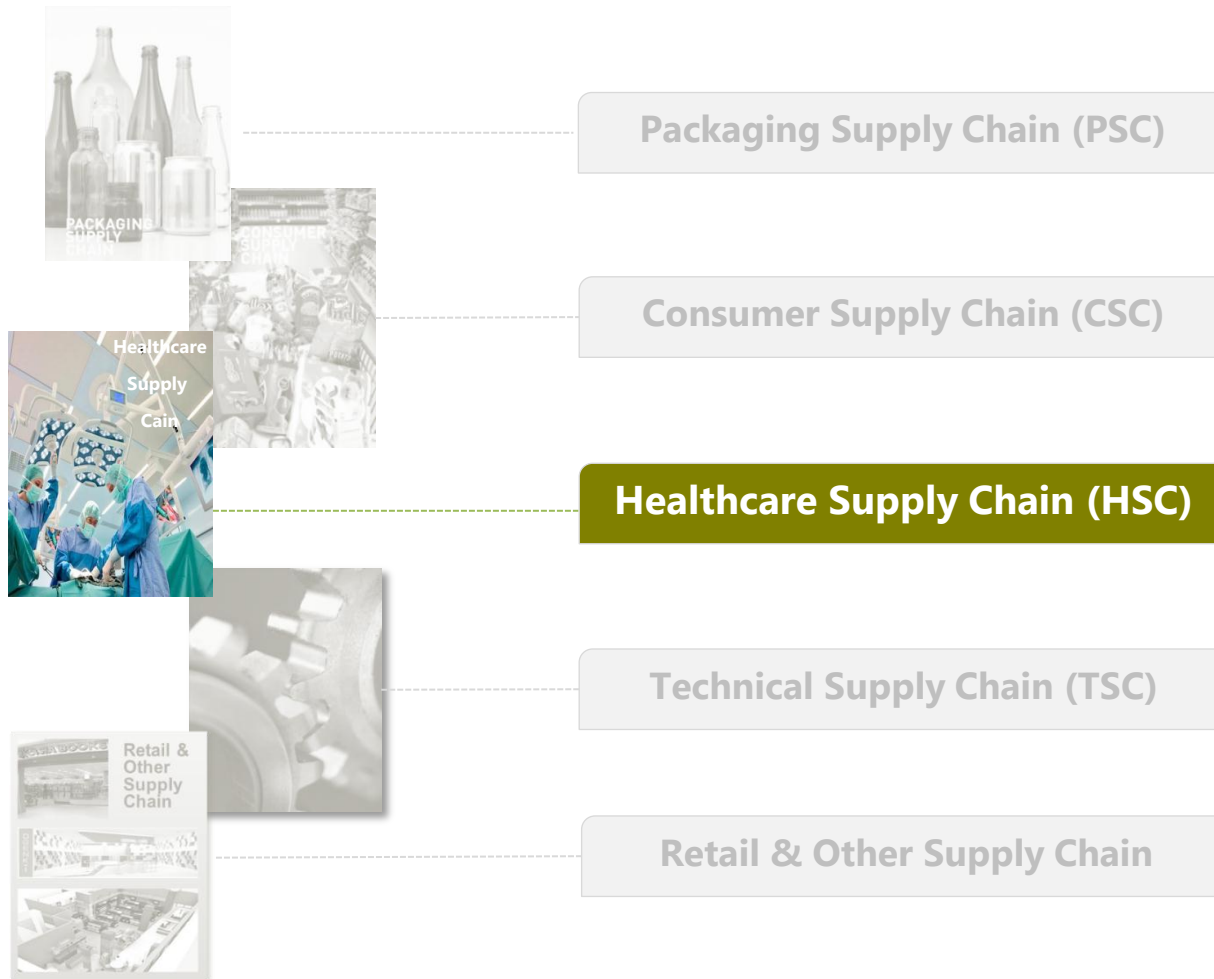
- Distribute well-known FMCG brands e.g. "Red Bull" beverages and canned fish of the "Three Lady Cooks" brand
- Most presence in the southern part of Vietnam (Ho Chi Minh City)
- Networks cover more than 1,800 wholesales, 220 Supermarkets & Minimarts and 40,000 retail outlets

### Thai An JSC



- Distribute, import, and export extensive variety of consumer products
- Most presence in the northern part of Vietnam (Hanoi)
- Networks cover more than 2,500 wholesales, 1,000 Supermarkets & Minimarts and 160,000 retail outlets





# Healthcare Supply Chain



## Pharmaceutical Products

*Sales Contribution: 53% of 2013 HSC Sales*



- Distribute as well as provide marketing and sales services of pharmaceutical products to government and private hospitals, and clinics countrywide
- Represent more than 100 leading medical brands from 50 companies worldwide

## Medical Supplies and Equipment

*Sales Contribution: 47% of 2013 HSC Sales*



- Provide full services of marketing, sales, distribution, as well as after sales service of medical supplies and medical equipment to government and private hospitals
- Strong market share in Thailand
  - #1 in Mammography Machine (Hologic)**
  - #2 in Ultrasound Machine (Aloka)**
  - #2 in Neurosurgery Microscope (Leica)**
- Specialize in many medical fields including Orthopedic, Cardiology, Hematology, Neurology, Surgery and etc.



# Technical Supply Chain



## Engineering

*Sales Contribution: 21% of 2013 TSC Sales*



- Provide broad spectrum of system integration from analysis, design, and assembly to installation
- 65 years of experience in various engineering fields with high reputation in Thai industrial market
- After-sales Service Excellence

## Graphics

*Sales Contribution: 19% of 2013 TSC Sales*



- A total solution provider of commercial and industrial printers including prepress supplies and equipment, digital press and packaging
- Solutions provider for customers cover a comprehensive range from business consultancy, sales, and marketing to after-sales support.

## Galvanized Steel Structures

*Sales Contribution: 15% of 2013 TSC Sales*



- A leading manufacturer of galvanized steel structure, transmission line tower, telecommunication tower, substation structures and a host of general industrial steel structures for both local and global market

## Chemical Specialties

*Sales Contribution: 45% of 2013 TSC Sales*



- One of the leading ingredients provider serving wide range industries including Food, Specialties, Cosmetic and Industrial ingredients
- Partnerships with a number of world wide leading ingredients suppliers.



## Stationery and Lifestyle

*Sales Contribution: 17% of 2013 Retail Sales*



- Distribute, sale and market stationery products such as STABILO writing instruments, UHU adhesives, 3M (Scotch® and Post-it®) products and Double A paper.



- Distribute consumer electronics products with service center to support after sales service

## International Business



- Seek for new market opportunities through merger and acquisition, and partner with strategic alliances to combine new businesses with our current businesses overseas
- Head quarter is in Thailand while operational offices are in Vietnam, Myanmar, and Cambodia

## Bookstore

*Sales Contribution: 36% of 2013 Retail Sales*



 **BOOKAZINE**  
*Good Reading from Around the World*

- **The 1st and largest English bookstore chain in Thailand**
- Import and distribute English and other foreign language books, including book-related products for daily life such as designed stationery, and Inspiration and Learning accessories for Kids
- Co-publish and distribute books in association with both local and overseas publishers

## Drug and Health Store

*Sales Contribution: 0.4% of 2013 Retail Sales*



- **The 1st BJC's drug and health store**
- Offer the privileged products of Health & Fitness/ Personal care/ Skincare/ Derma Skincare/ Beverage & Others
- Location: Bangkok and big cities in Thailand
- Avg. Size: 80 – 200 Sq.m.
- No. of stores: 8

## Convenience Store in Vietnam

*Sales Contribution: 0.3% of 2013 Retail Sales*



- **Concept:** To be Destination of Ready to Eat and Ready to Drink for New Generation
- **Location:** Ho Chi Minh City, Vietnam
- **No. of stores :** 64 (At Present)
- **Avg. size per store :** 70 – 100 Sqm.
- **No. of Products:** 2,000 – 2,500 SKUs



The background of the slide is a faded, grayscale photograph. It shows a large, multi-story building with a classical architectural style, featuring a prominent pediment and columns. In the foreground, there are several vintage cars from the mid-20th century parked on a street. The overall image is semi-transparent, allowing the text to be clearly visible.

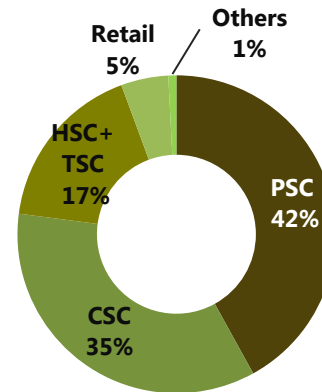
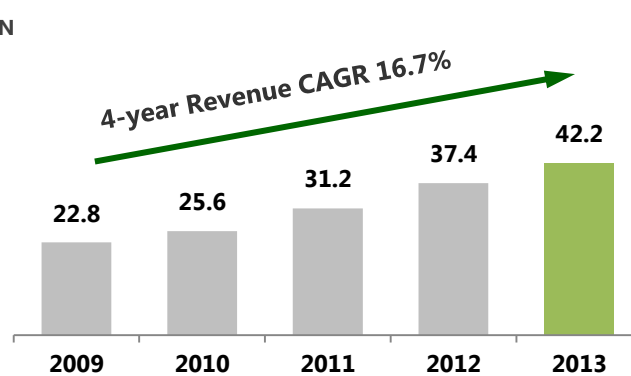
## **Financial Performance**

# BJC Group Strong Performance



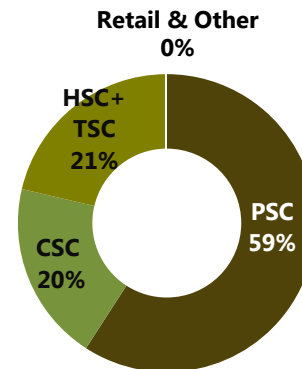
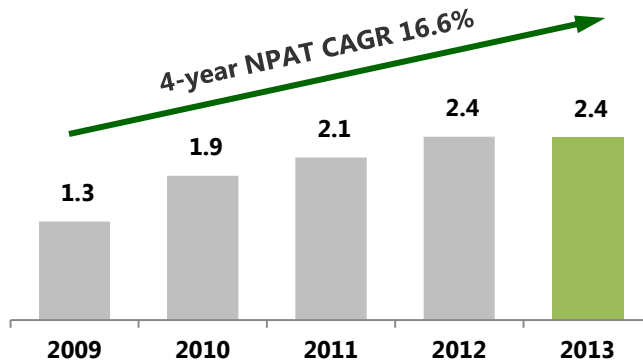
## Revenue

THB BN



## Net Profit to Equity Holder

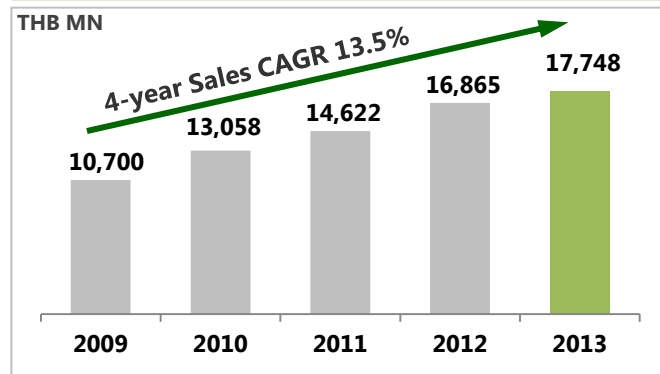
THB BN



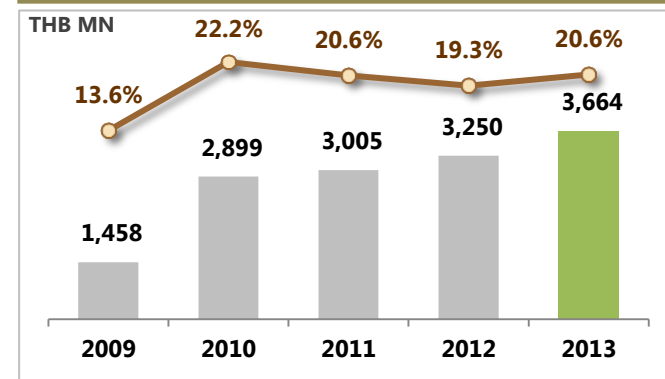
# Packaging Supply Chain



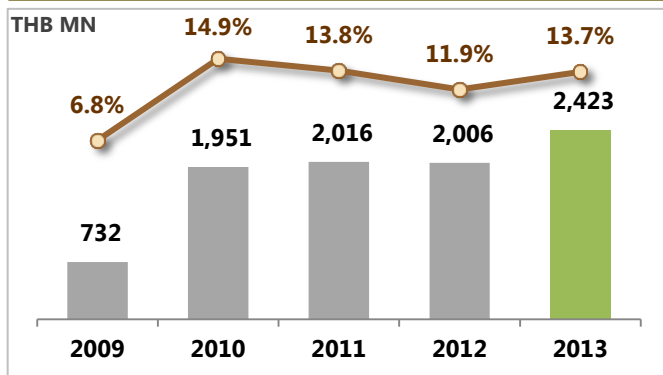
## Revenue



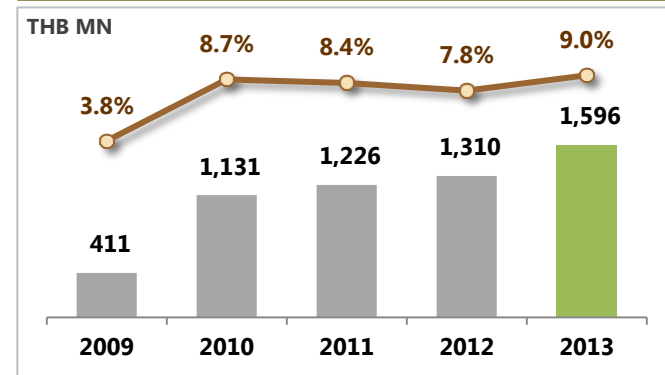
## Gross Profit



## EBIT



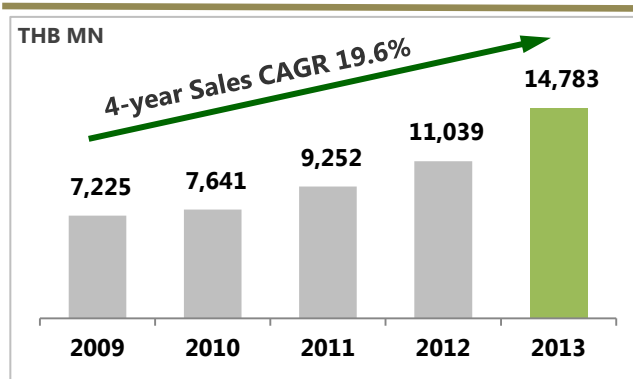
## Net Profit



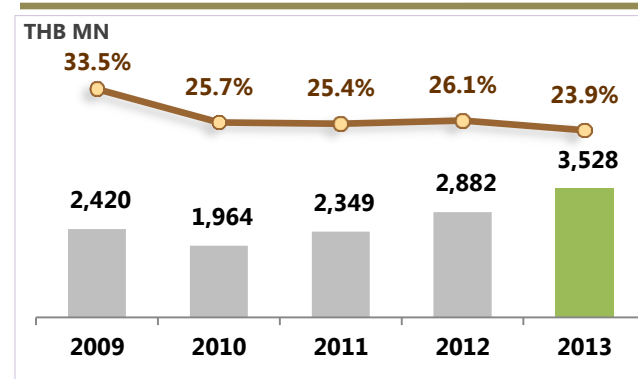
# Consumer Supply Chain



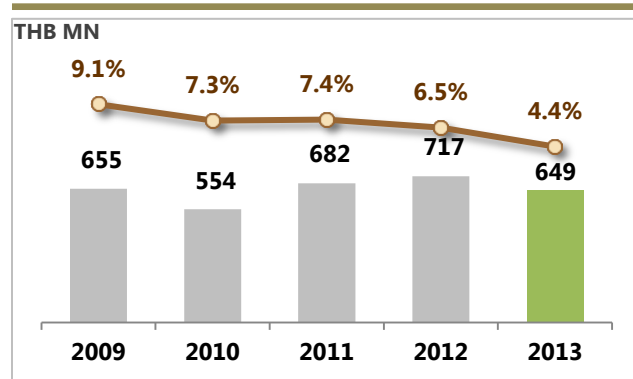
## Revenue



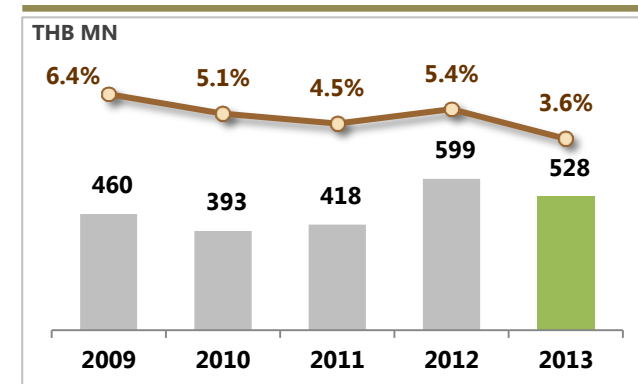
## Gross Profit



## EBIT



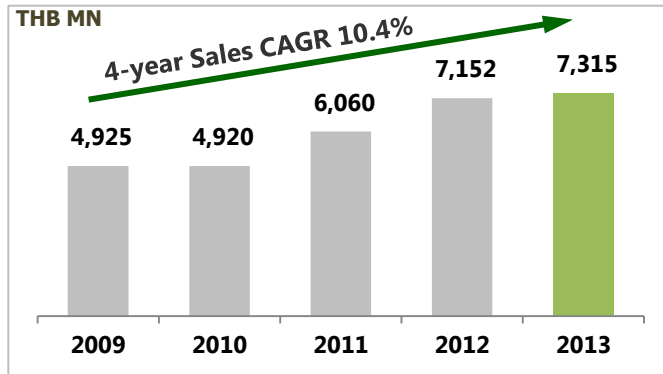
## Net Profit



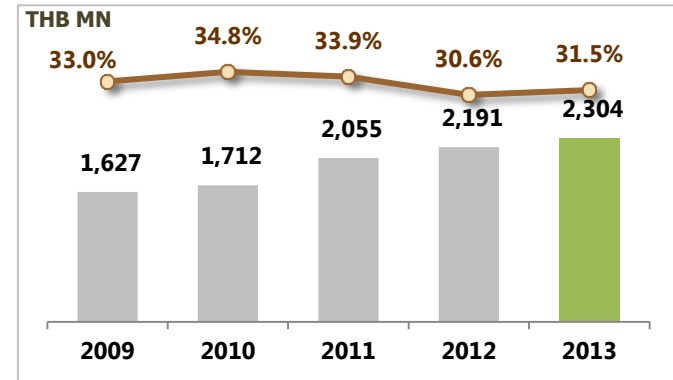
# Healthcare / Technical Supply Chain



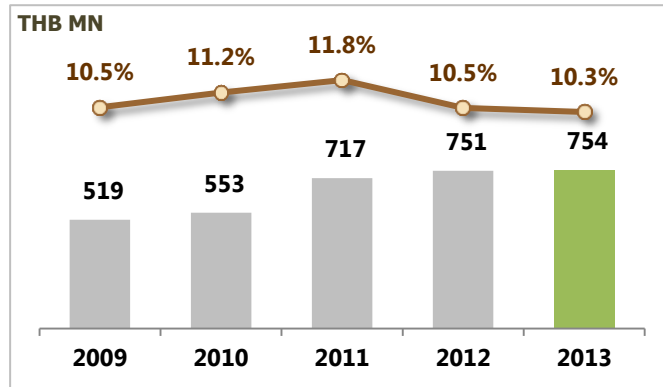
## Revenue



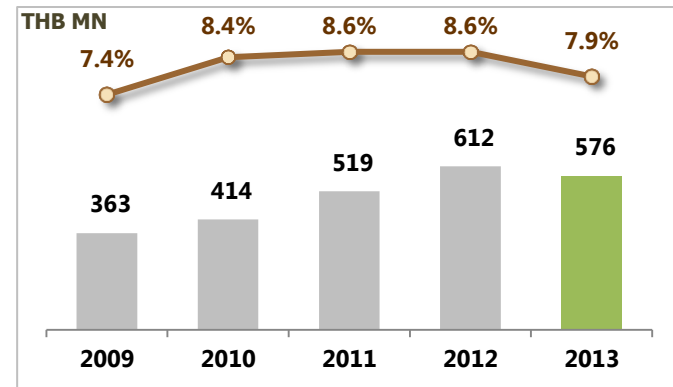
## Gross Profit



## EBIT



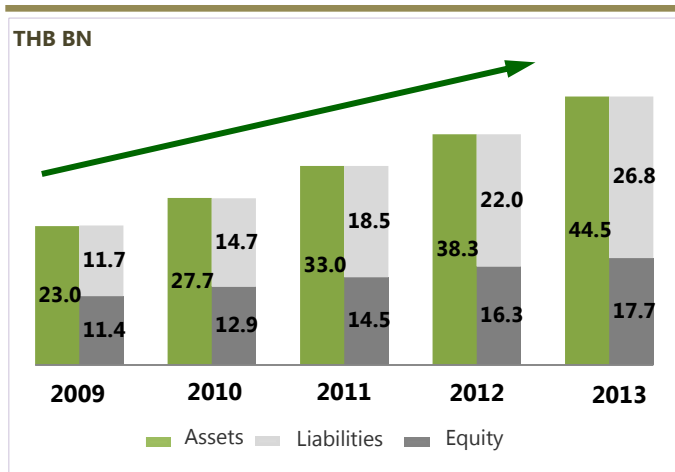
## Net Profit



# Strong Balance Sheet

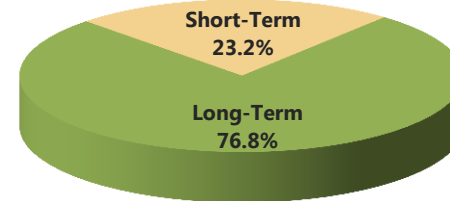


## Balance Sheet



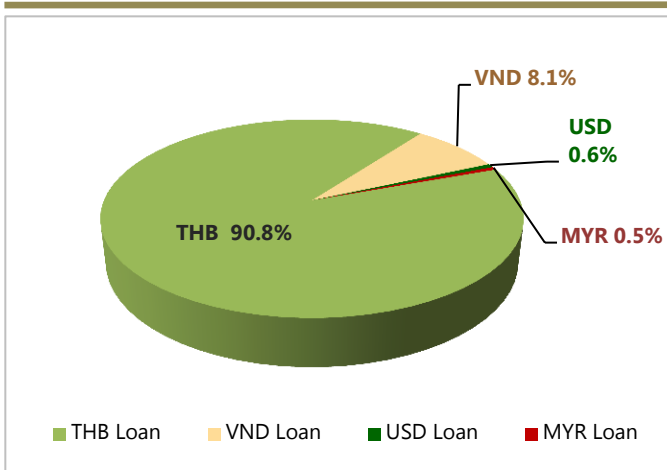
## Interest Bearing Debt (IBD)

Interest Bearing Debt = Baht 16.7 Billion  
Average Cost of Fund approx. 3.9%

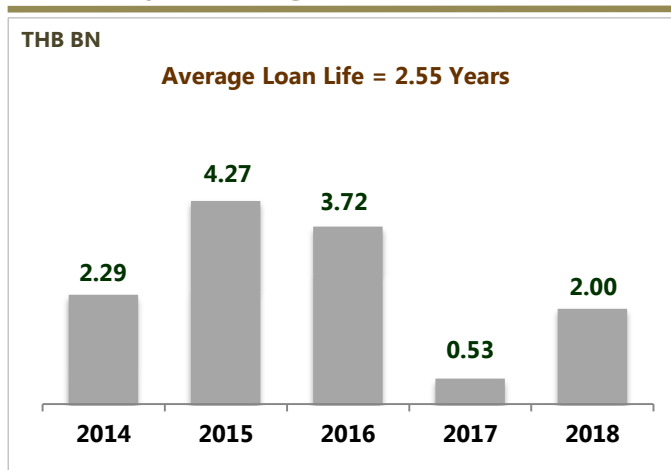


As of December 31, 2013

## IBD Currency Breakdown



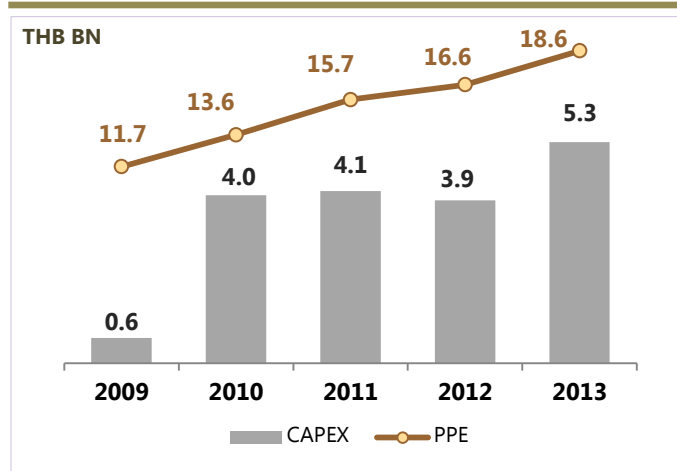
## Maturity of Long-Term Loan



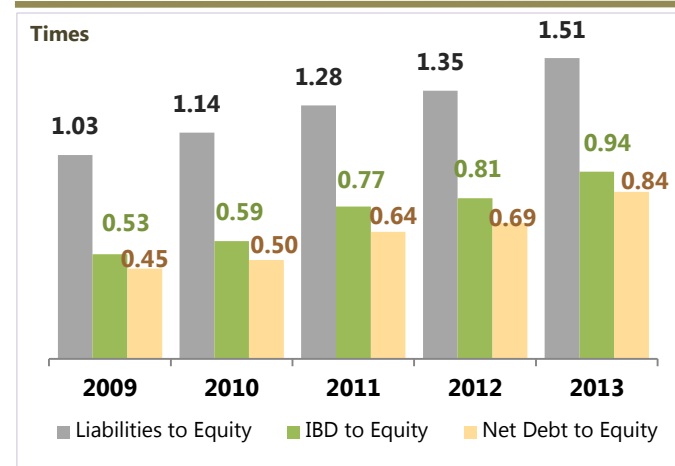
# CAPEX & Key Financial Ratio



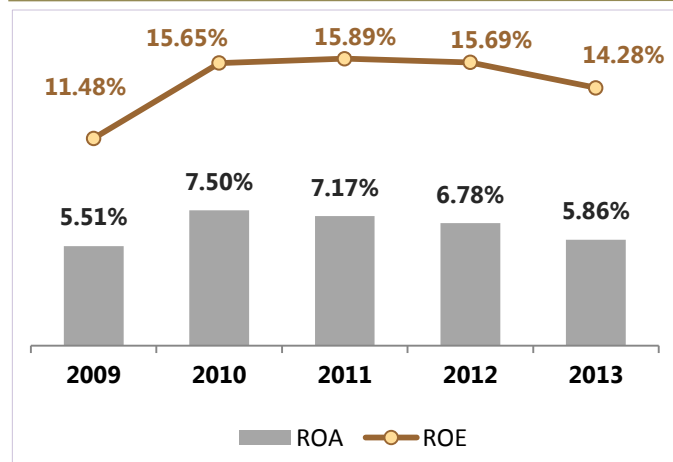
## CAPEX and PPE



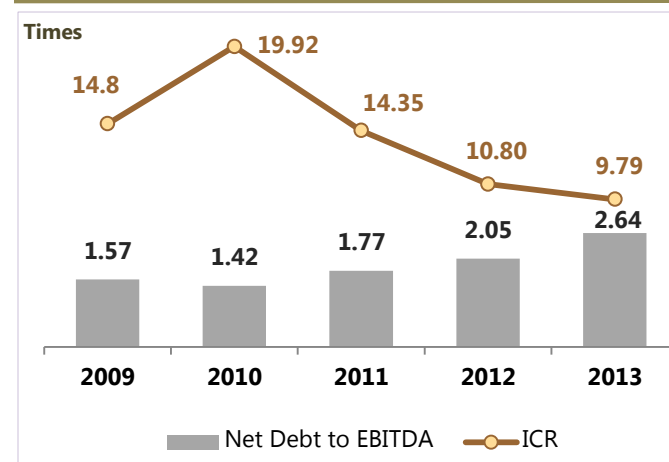
## Debt to Capitalization



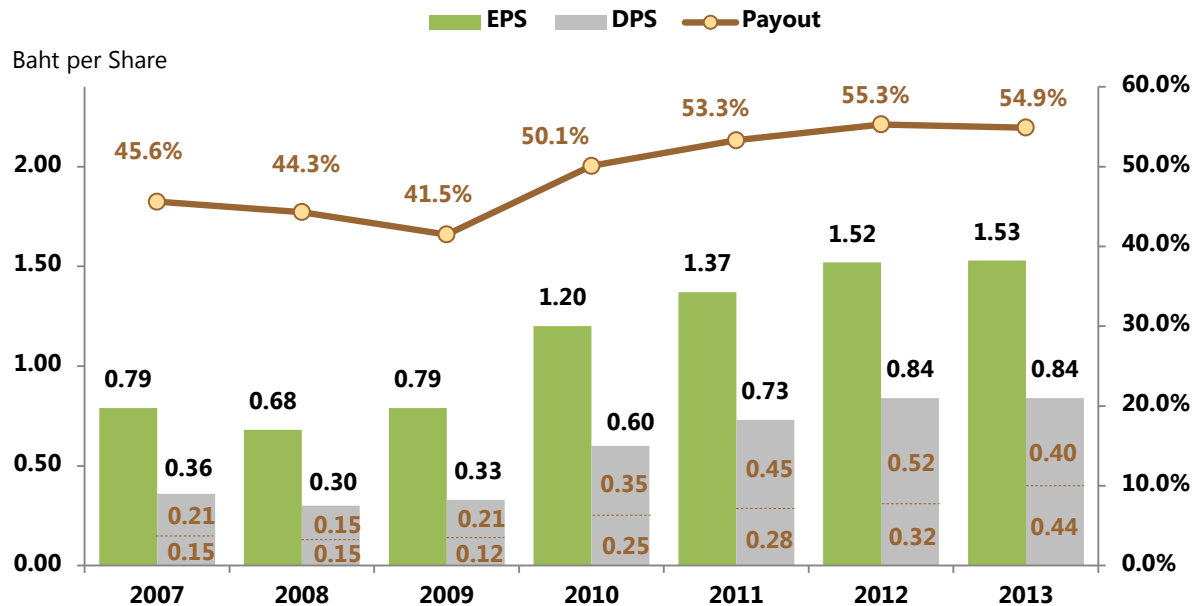
## ROE & ROA



## Net Debt to EBITDA & ICR



# Dividend Payment



- Dividend policy: No less than 50% of net income after future investments required
- Interim dividend for 1H13: THB 0.44/share (Payment Date: 12 September 2013)
- Final dividend payment for 2H13: THB 0.40/share (Payment Date: 23 May 2014)



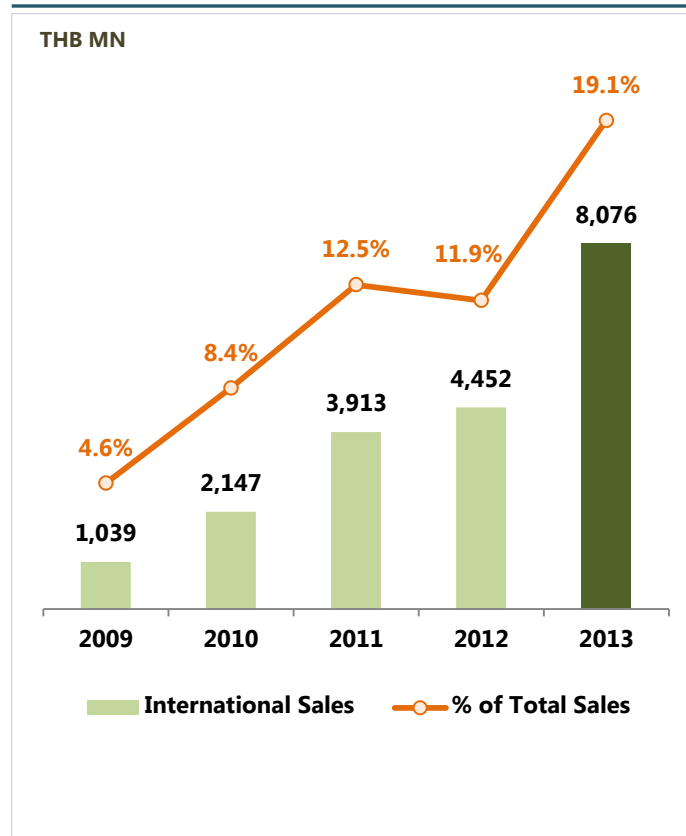
The background of the slide is a faded, grayscale image showing a progression of architectural styles. On the left, there is a small, simple building with a gabled roof. In the center, a vintage car is parked in front of a larger, more ornate building. On the right, there is a tall, modern skyscraper with many windows, representing significant growth and development.

## **Growth & Strategy**

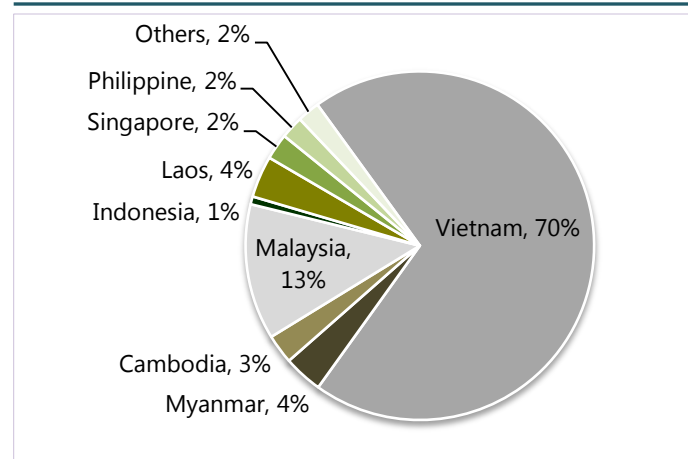
# Growing Exposure to Asean



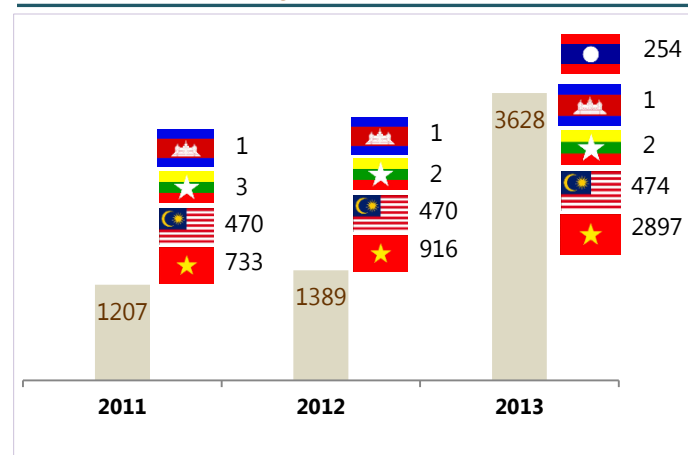
## International Sales



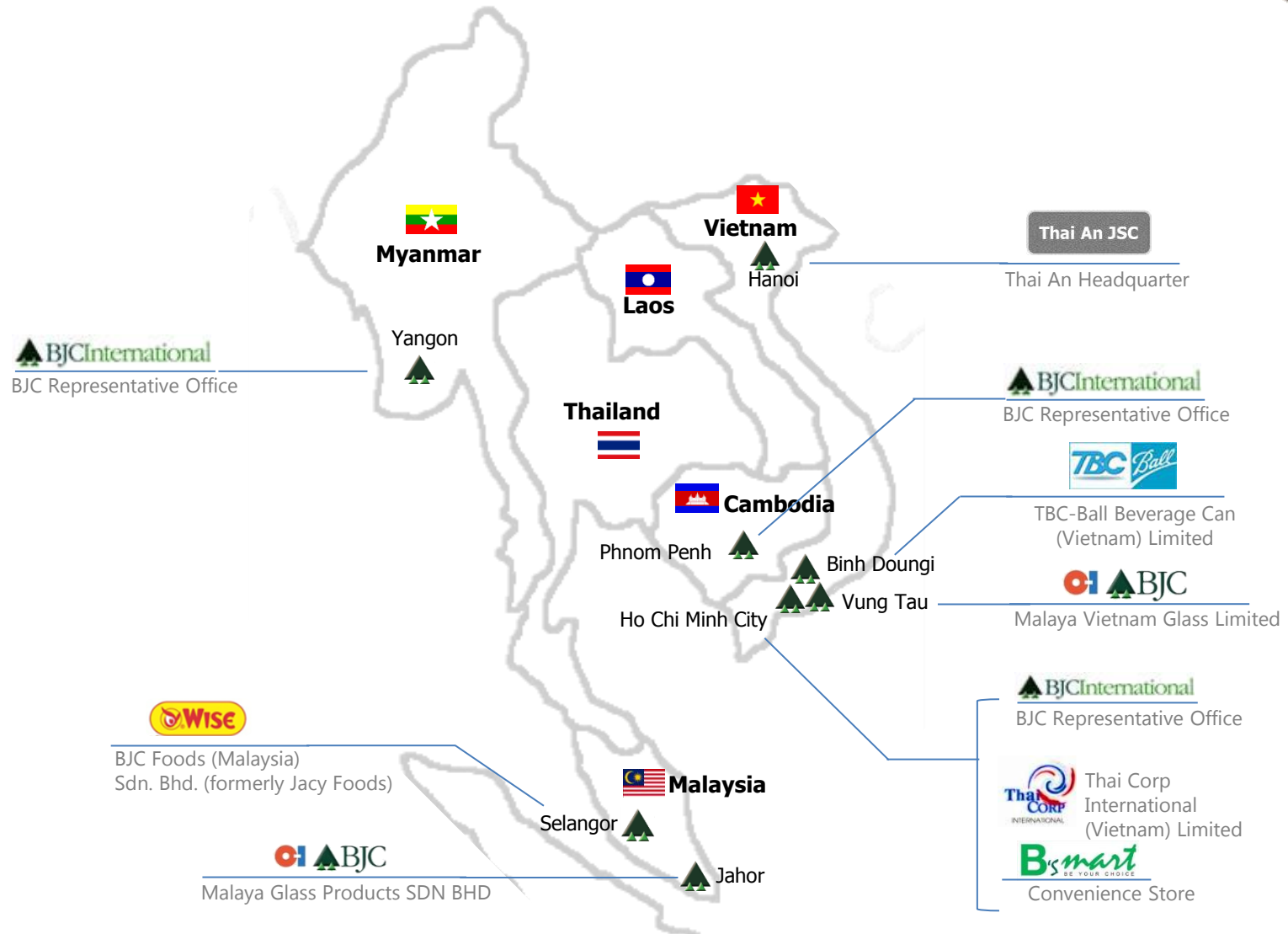
## 2013 International Sales Breakdown



## Overseas Employees (as of Nov'13)



# BJC's International Portfolio



# BJC Partners of Choice



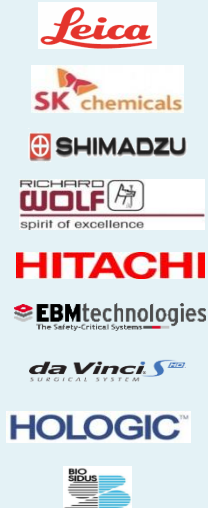
## Packaging Supply Chain



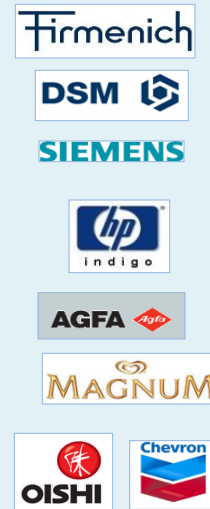
## Consumer Supply Chain



## Healthcare Supply Chain



## Technical Supply Chain



## Retail & Other Supply Chain





# Thank You

For more information and enquiries, please contact our Investor Relations team at [IR@bjc.co.th](mailto:IR@bjc.co.th)

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