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**WANT WANT CHINA HOLDINGS LIMITED**

**中國旺旺控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 0151)**

**PRESENTATION ON ANNUAL RESULTS  
FOR THE YEAR ENDED 31 MARCH 2022**

A presentation in relation to the annual results of Want Want China Holdings Limited and its subsidiaries for the year ended 31 March 2022 is appended to this announcement.

By order of the Board  
**Want Want China Holdings Limited**  
**LAI Hong Yee**  
*Director*

Hong Kong, 28 June 2022

*As at the date of this announcement, the executive directors of the Company are Mr. TSAI Eng-Meng, Mr. TSAI Shao-Chung, Mr. TSAI Wang-Chia, Mr. HUANG Yung-Sung, Mr. CHU Chi-Wen, Mr. TSAI Ming-Hui and Ms. LAI Hong Yee; the non-executive directors are Mr. LIAO Ching-Tsun, Mr. MAKI Haruo and Mr. CHENG Wen-Hsien; and the independent non-executive directors are Dr. PEI Kerwei, Mr. HSIEH Tien-Jen, Mr. LEE Kwok Ming, Mr. PAN Chih-Chiang and Mrs. KONG HO Pui King, Stella.*



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Holdings Limited

**FY21 Results**

Year ended March 31 2022

June 28 2022



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## NOTE

Unless otherwise stated, this presentation provides the financial information from 1st April 2021 to 31st March 2022 (abbr. FY21), and the comparative financial information from 1st April 2020 to 31st March 2021 (abbr. FY20).

Readers are reminded to read and construe this presentation in conjunction with the announcement of the Company dated 28th June 2022 in relation to its annual results for the year ended 31st March 2022.



# Financial Highlights

RMBmn  
(unless otherwise stated)

	FY20	FY21	YOY
<b>Revenue</b>	21,998	23,985	↑ 9.0%
<b>Gross Margin</b>	48.2%	44.8%	↓ 340bps
<b>Operating Profit</b>	* 5,736 26.1%	5,457 22.8%	↓ 4.9% ↓ 330bps
<b>Profit Attributable to Equity Holders of the Company</b>	4,158 18.9%	4,203 17.5%	↑ 1.1% ↓ 140bps

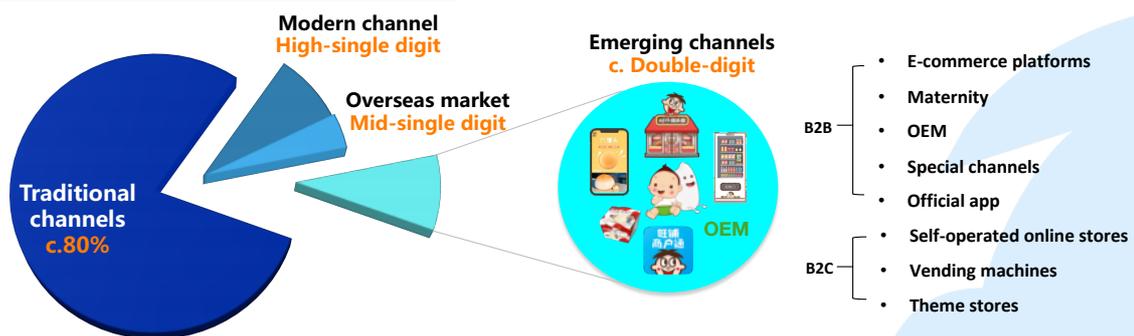
- ✓ Though affected by the pandemic, revenue still ↑ 9.0%
- ✓ Revenue of the Group, Hot-Kid milk, core-brand rice crackers, and candies achieved new record high respectively
- ✓ Revenue of all channels in the Chinese mainland ↑
- ✓ Emerging channels serve as key growth catalyst
- ✓ Though affected by the pandemic, overseas revenue in 2HFY21 resumed ↑ mid-to-high single digit growth
- ✓ Price of certain raw material and packaging ↑

\* Including one-off gain on disposal of factory land

## Accelerated growth in the past five years fueled by channel diversification strategy.



### ✓ FY21 Revenue contribution by channel



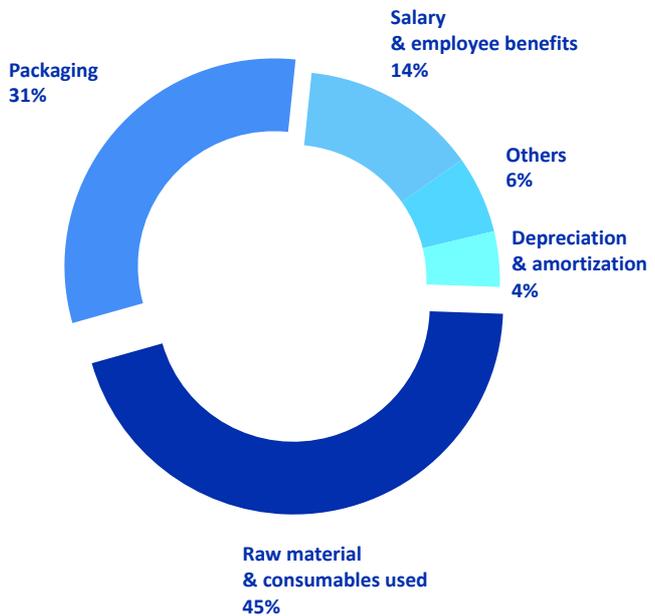
### ✓ FY16<sup>1</sup> - FY21<sup>2</sup> Revenue CAGR by channels

Growth Driver	Traditional Channels	Emerging Channels	Overseas Market	FY16-FY21 CAGR
ASP				1%
Volume				4%
<b>FY16-FY21 CAGR</b>	<b>3%</b>	<b>45%</b>	<b>2%</b>	<b>5%</b>

1. FY16: 2016.4.1 to 2017.3.31 2. CAGR: Compound Annual Growth Rate

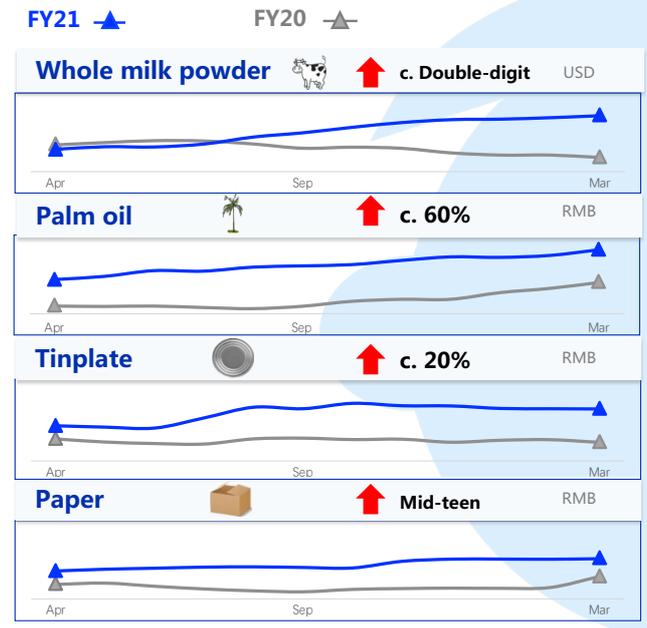
# COST STRUCTURE

## Cost of sales breakdown



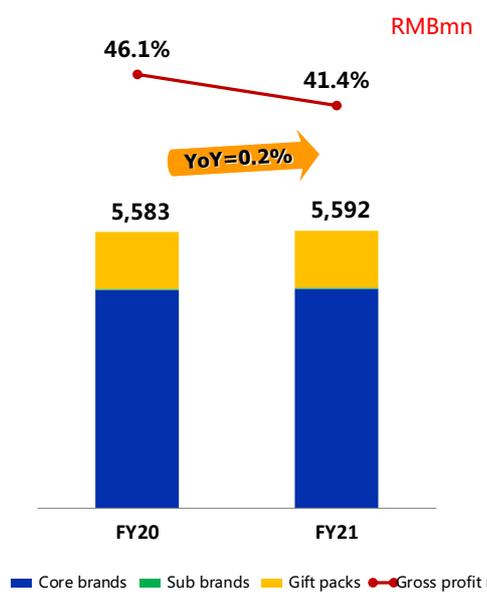
## Price of certain raw material & packaging ↑

### Raw material & packaging unit cost YOY

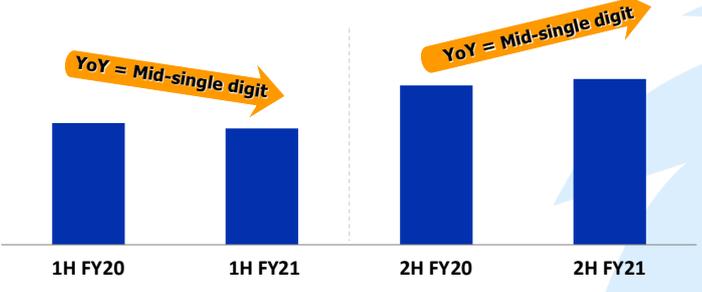


# RICE CRACKERS SEGMENT

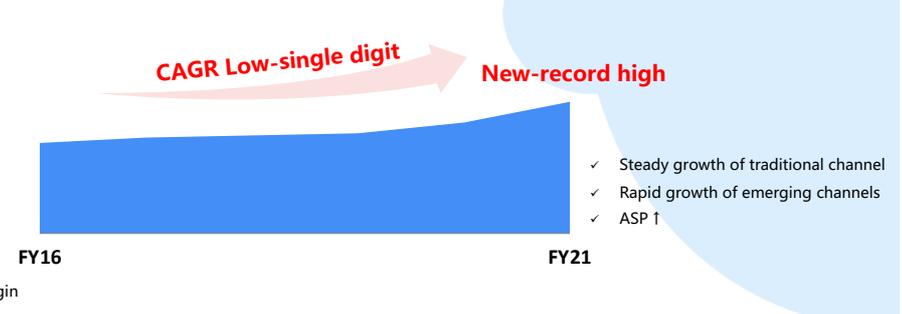
## Revenue breakdown and gross margin



## Revenue of core-brand rice crackers



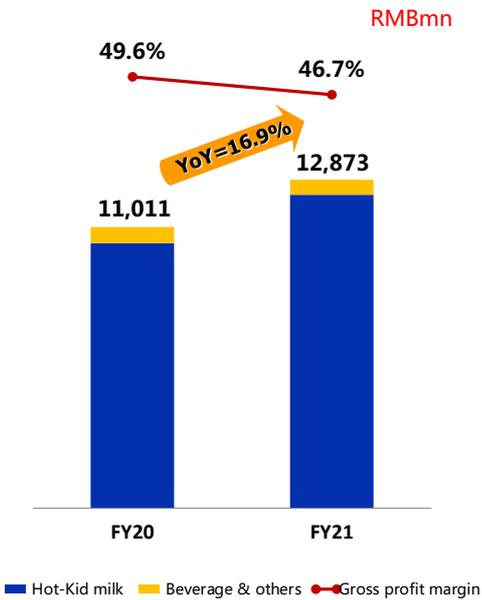
## Core-brand rice crackers FY16-21 CAGR



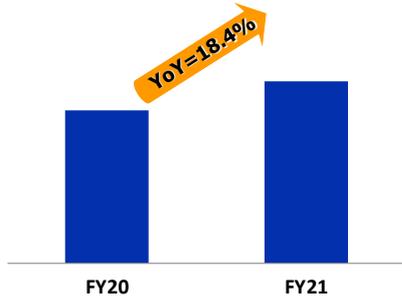


# DAIRY and BEVERAGES SEGMENT

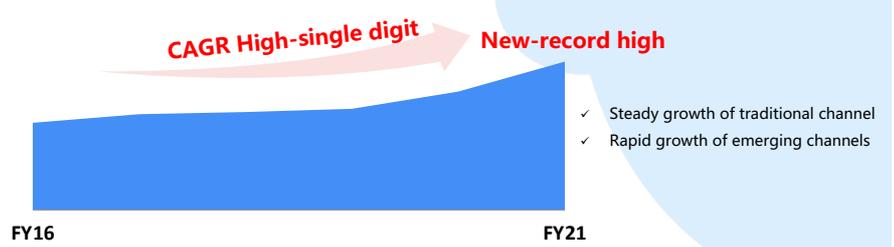
## Revenue breakdown and gross margin



## Revenue of Hot-Kid Milk

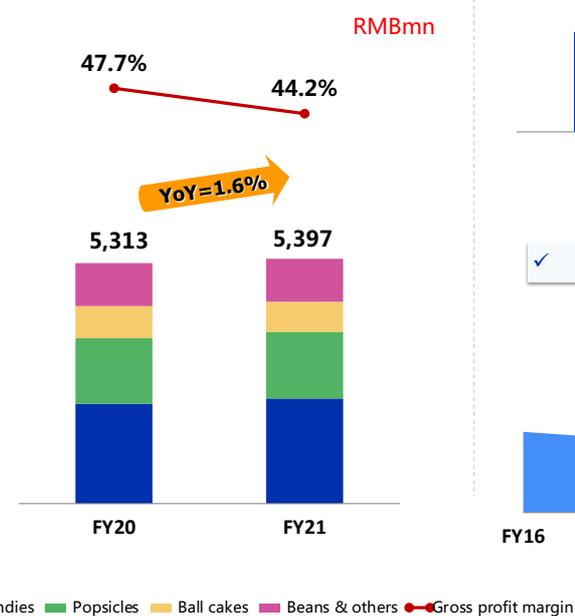


## Hot-Kid Milk FY16-21 CAGR



# SNACK FOODS SEGMENT

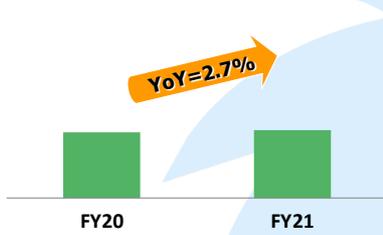
## Revenue breakdown and gross margin



## Revenue of candies



## Revenue of popsicles



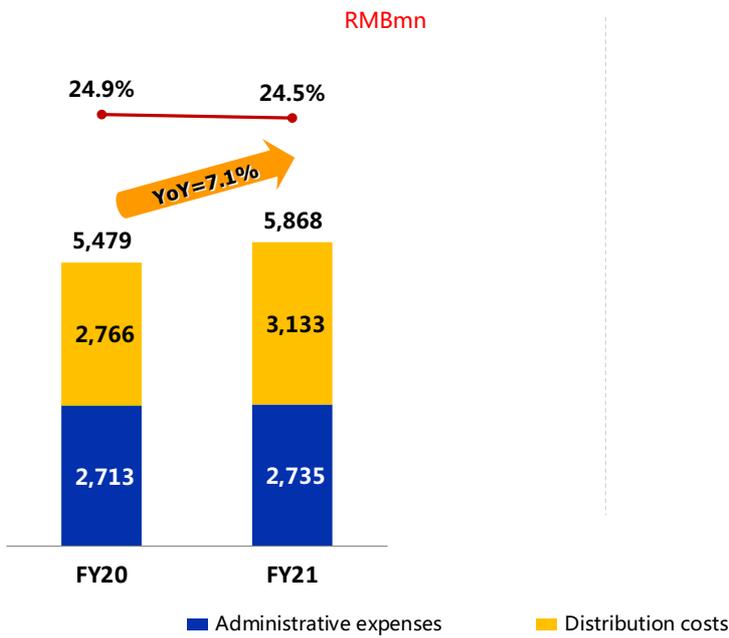
## Candies FY16-21 CAGR



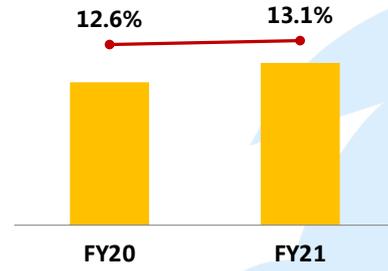


# OPERATING EXPENSES and EXPENSE RATIO

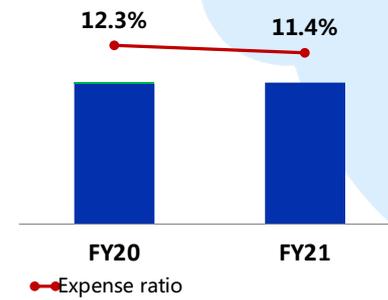
## ✓ Operating expenses breakdown



## ✓ Distribution costs



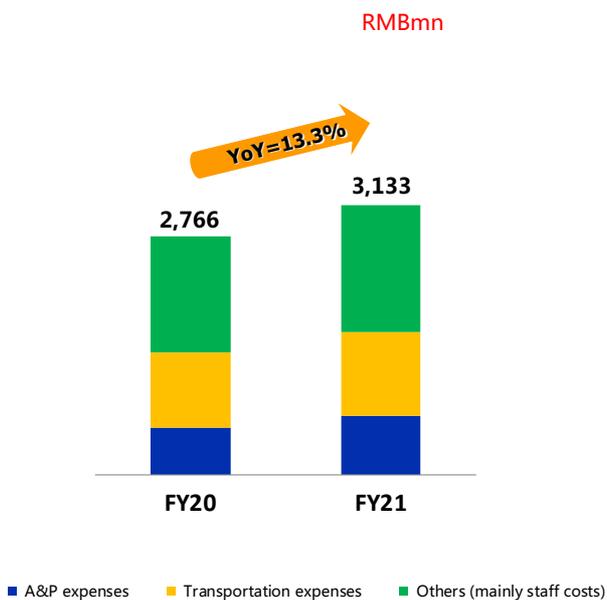
## ✓ Administrative expenses



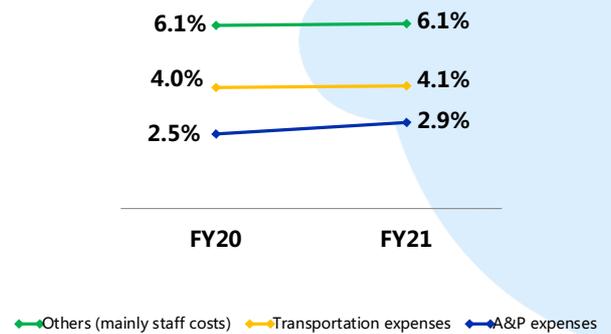
# DISTRIBUTION COSTS



## ✓ Distribution costs breakdown



## ✓ Distribution costs as % of revenue



## WORKING CAPITAL



### ✓ Turnover days

Days

Item	2021.03.31	2022.03.31	
Inventory	85	79	↓ 6 days
Trade receivables	15	15	
Trade payables	(33)	(28)	↓ 5 days
<b>Cash conversion cycle</b>	<b>67</b>	<b>66</b>	↓ 1 day

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## CASH and BORROWINGS

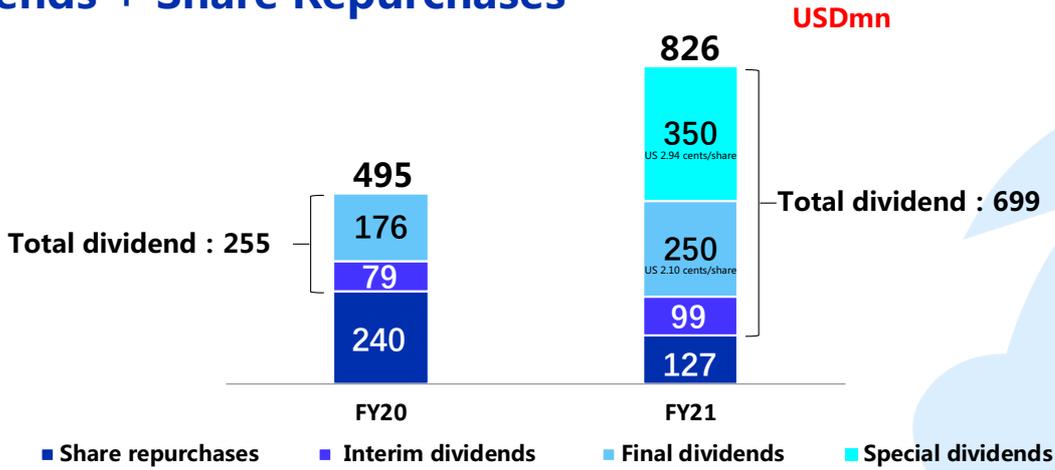


RMBmn

Item	2022.03.31	YOY
Cash + bank deposits (incl. long-term bank deposits)	17,003	↓ 1,928
Borrowings	6,902	↓ 2,931
<b>Net cash</b>	<b>10,101</b>	<b>↑ 1,003</b>

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# Dividends + Share Repurchases



✓ Dividends and share repurchases history (2008-2022.03)





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# Marketing Highlights

## FY21



# OPERATION STRATEGIES

- ✓ FY21 Revenue of the Group achieved new-record high! FY16-FY21 CAGR reached mid-single digit.
- ✓ Revenue of Hot-Kid milk, candies, and core-brand rice crackers reached new-record high respectively.

Channel diversification



Multi-brand, diversified products



Diverse digital marketing



# RICE CRACKERS SEGMENT



 FY21 Rice crackers revenue ↑ 0.2%

2HFY21 ↑ **low-to-mid single digit**  
Revenue of core-brand rice crackers reached new-record high

Overseas Market ↓ :  
Affected by the pandemic and international supply chain disruption  
2HFY21: pressure eased, resumed mid-single digit growth





# DAIRY and BEVERAGES SEGMENT



Dairy and beverages revenue ↑ 16.9%

All channels in the Chinese mainland ↑ double-digit

Emerging channels maintained rapid growth

FY16-FY21 Hot-Kid milk CAGR high-single digit

✓ Unique new products



✓ Diverse digital marketing



✓ Revenue of Hot-Kid Milk



# SNACK FOODS SEGMENT



Snack foods revenue ↑ 1.6%



Popsicles 2HFY21 ↑ double-digit

Revenue of Dongchi exceeded RMB200mn



Revenue of candies and jellies reached new-record high





# CHANNEL DIVERSIFICATION



Traditional channel ↑ **high-single digit**

- ✓ FY16-FY21 Revenue CAGR ↑ **low-to-mid single digit**
- ✓ Supply chain efficiency improvement
- ✓ Coverage enhancement of unexplored point-of-sales
- ✓ Lively and interesting point-of-sales activities



Overseas market ↓

- ✓ Impacted by the pandemic and international supply chain disruption
- ✓ 2HFY21 ↑ **mid-to-high single digit**
- ✓ Vietnam plant will commence operation soon



Modern channel ↑ **c. high-single digit**

- ✓ Unique new products and diversified displays
- ✓ Convenience store channel, a new growth driver



Emerging channels maintained **rapid growth**

- ✓ FY16-FY21 Revenue CAGR **over 40%**
- ✓ C.40% of FY21 revenue contributed by new products
- ✓ Diversified channel development fueled growth

## Various methods to improve profitability

# PROSPECT

- ✓ Continue promoting digitalization



Beneficial to product & channel development

**Valuable insight exploration**

**Information platform construction**







**Contact us:**  
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