



Yeo Hiap Seng 1H2023 net profit up at \$3.3 million, gross profit margin improves

Key Highlights

- Group revenue maintained at \$181.1 million. Net profit increased by \$2.1 million to \$3.3 million
- Gross profit up \$2.9 million to \$58.8 million
- Improved performance in Singapore and Malaysia mitigated the weaker sales in Australia, China and Europe

S\$ million	H1 FY2023	H1 FY2022	Y/Y
Revenue	181.1	181.2	-0.1%
Gross Profit	58.8	55.9	+5.2%
GP Margin	32.5%	30.8%	+1.7pp
Net Profit	3.3	1.2	178.8%
Net Margin	+1.8%	+0.7%	+1.1pp
EPS (S cents)	0.55	0.20	172.9%

Singapore, 11 August 2023 – Mainboard-listed Yeo Hiap Seng Limited (Yeo's), a leading food and beverage (F&B) group in the region, announced its H1 FY2023 financial results today, reporting a net profit of \$3.3 million for the half-year ended 30 June 2023, a significant improvement from a net profit of \$1.2 million in the same period last year.

Group revenue remained steady at \$181.1 million as compared to 1H FY2022. The Singapore and Malaysia markets performed better year-on-year, which offset the lower sales in Australia, China, and Europe. Core Yeo's revenue declined by 4.5% from \$166.0 million to \$158.5 million due to foreign currency translation. Excluding foreign currency translation, core Yeo's revenue remained relatively unchanged compared to same period last year.

Gross profit margin saw a notable improvement of 1.7 percentage points from 30.8% to 32.5%. The improvement was attributed to the Group's efforts in driving net price increase and optimising its product portfolio, which offset the impact of cost inflation.

Other income increased by 91.7% year-on-year to \$9.6 million, primarily driven by higher interest, rental and dividend income. Furthermore, other gains and losses increased by \$0.8 million year-on-year to \$1.2 million, which was mainly due to net currency translation gain.

Income tax expense increased to \$3.5 million in H1 FY2023 from \$1.6 million in the same period last year, which was mainly attributed to higher operating profits in certain subsidiaries and under provision of prior years' deferred tax.

YHS continues to be in a healthy and strong financial position. The Group's balance sheet remains strong with cash and cash equivalents and fixed deposits totaling \$232.1 million, up \$17.0 million from \$215.1 million at the end of FY2022, primarily attributed to improved working capital efficiency.

Outlook

Operating cost inflation and an expected slowdown in consumer spending amidst economic uncertainties continue to pose headwinds to Group operations. Management is actively taking measures to step up on executing the Group's Brand strategy by focusing on the upcoming Brand Refresh initiative.

In addition, management will continue to strive for cost optimisation to improve business performance by driving operational efficiency and commercial excellence across the entire value chain. These initiatives are aimed at driving growth, boosting our capacity to innovate so as to create sustainable value for our customers and shareholders.

About Yeo Hiap Seng Limited (www.yeos.com.sg)

Yeo Hiap Seng is a Singapore-based heritage brand that has pioneered innovations in Asian beverages for more than a century. It is the first in the world to package Asian drinks in Tetra Brik aseptic cartons using UHT process and the first to offer curry chicken in canned form. Yeo's popular range of soybean and chrysanthemum drinks is widely sold in Asia, Europe and North America.

The Group serves more than 30 markets around the world where the Yeo's portfolio of Asian food and beverages are known for its authentic flavours and exceptional quality. More than 80% of its beverages are from healthier choice products, making them the natural choice among consumers.

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