

JAPANESE INGREDIENTS

DƯƠNG CHẤT TỐT TỪ NHẬT BẢN

TIÊU HÓA KHỎE - BÉ TINH NHANH

VINAMILK POWER

NĂNG LƯỢNG TỐI ĐA

SỨC MẠNH BỨT PHÁ

CANXI **B12** **PROTEIN** **B6**

DỪNG THỬ NGAY

Organic GOLD

EU ORGANIC

Lớn khôn cùng tự nhiên

VINAMILK

ít đường 3 Tots

Giàu dinh dưỡng, Ngon khó cưỡng

Hạnh Nhân **Óc Chó** **Đậu Đỏ**

Vfresh

Nước trái cây sữa Vfresh SMOOTHIE

Nhìn thích mắt, uống thích mê!

Vfresh **dielac** **100% A2** **100% ORGANIC** **Organic GOLD** **Đậu Đỏ** **Óc Chó** **Hạnh Nhân**

VINAMILK JSC

Earnings Presentation

2Q2020

VINAMILK

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2Q2020 consolidated financial highlights

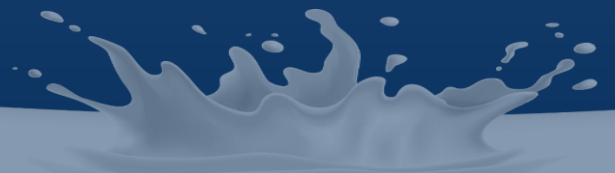
<p>Net sales (VND bn)</p> <p>15,495</p> <p>▲ 6.1% YoY</p>	<p>Gross profit margin (%)</p> <p>46.1%</p> <p>▼ 61 basic points QoQ</p>	<p>Earnings before interest and tax (VND bn)</p> <p>4,306</p> <p>▲ 6.2% YoY</p>
<p>Net profit after tax (VND bn)</p> <p>3,085</p> <p>▲ 6.2% YoY</p>	<p>Earnings per share (basic) (VND)</p> <p>1,586</p> <p>▲ 5.7% YoY</p>	

1H2020 consolidated financial highlights

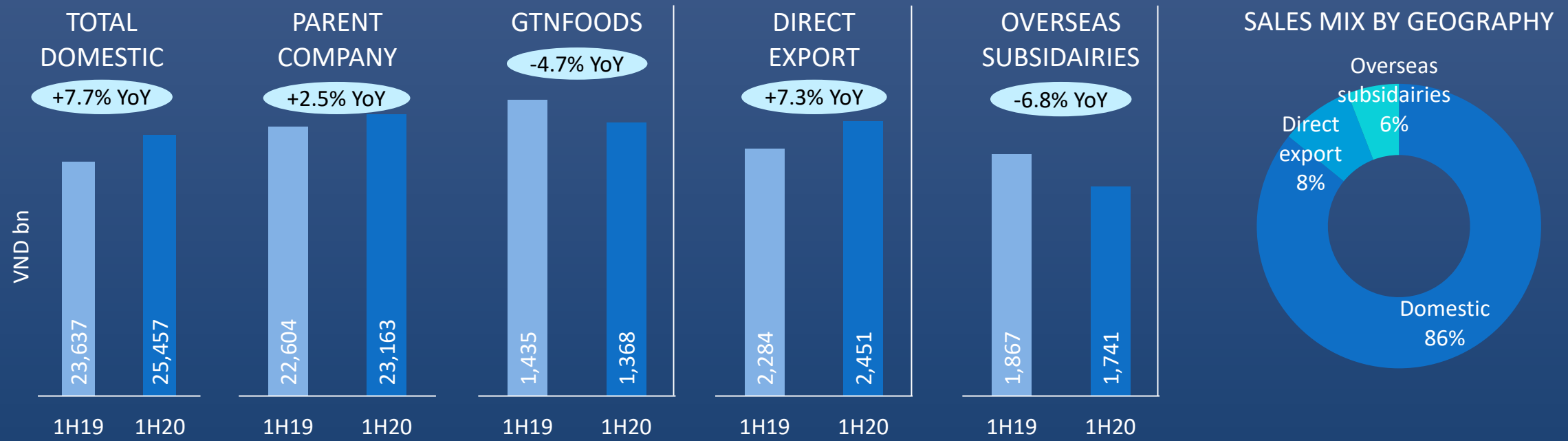
<p>Net sales (VND bn)</p> <p>29,648</p> <p>▲ 6.7% YoY</p>	<p>Gross profit margin (%)</p> <p>46.4%</p> <p>▼ 100 basic points YoY</p>	<p>Earnings before interest and tax (VND bn)</p> <p>8,262</p> <p>▲ 4.7% YoY</p>
<p>Net profit after tax (VND bn)</p> <p>5,861</p> <p>▲ 2.8% YoY</p>	<p>Earnings per share (basic) (VND)</p> <p>3,013</p> <p>▲ 2.0% YoY</p>	<p>Net cash¹ (VND bn)</p> <p>12,168</p> <p>▲ 26.4% YTD²</p>

¹ Cash & Cash Equivalents less Borrowings / Total Assets

² As at 30 June 2020

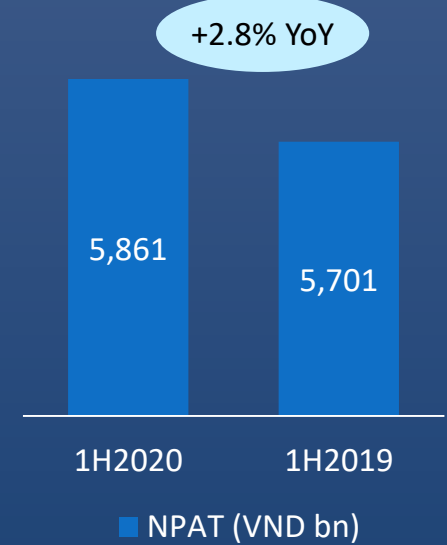
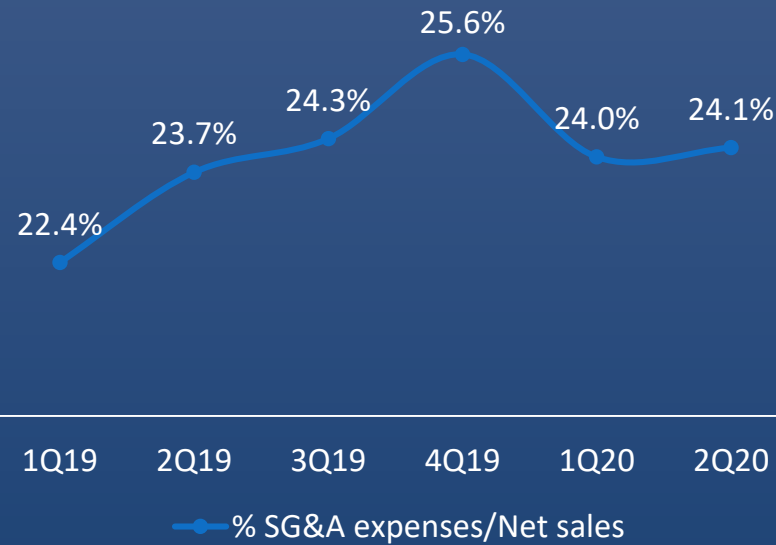
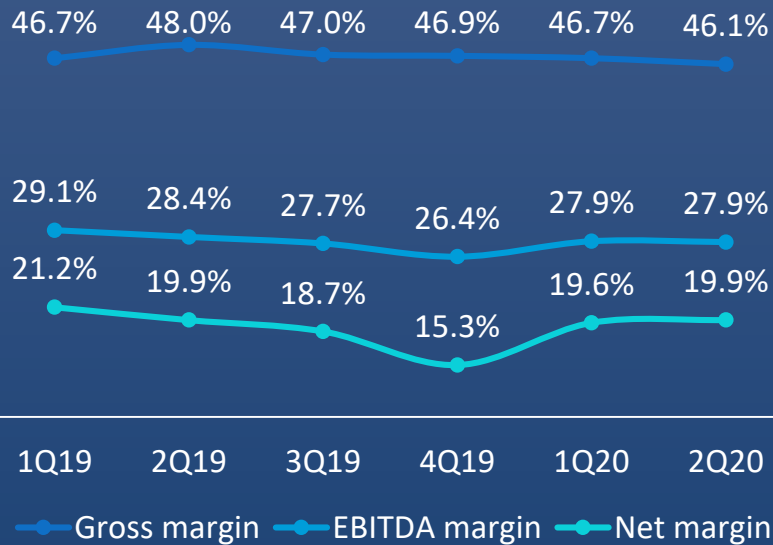


Analysis of net revenue



- ❑ In 2Q20, parent company's net sales was VND 13,622 billion, +4% YoY (1Q20 +1.2% YoY). The removal of social distancing from April 22 has had positive impact on the business in 2Q20.
- ❑ GTN's net sales -4.7% YoY due to divestments at some subsidiaries post-M&A. MCM's net sales in 1H20 was VND 1,367 bn, +8% YoY.
- ❑ Driven by key markets in Middle East
- ❑ Driftwood was affected though insignificantly after schools in California shut down in mid-March
- ❑ Angkor Milk remains solid, posted growth over 20% YoY in 2Q20

Analysis of profit margins & cost structure



Consolidated GPM in 2Q20 decreased by 61 basis points QoQ as the cost of imported materials used in Q2 (some were bought pre-Covid19) was higher than in Q1

Consolidated SG&A expenses/Net sales ratio increased YoY mostly due to:

- Additional SG&A expenses after consolidating GTN figures
- Incremental sales support expenses for distributors during Covid19

GTN's NPAT was VND 88.4 bn in 1H20, +112% YoY attributable to:

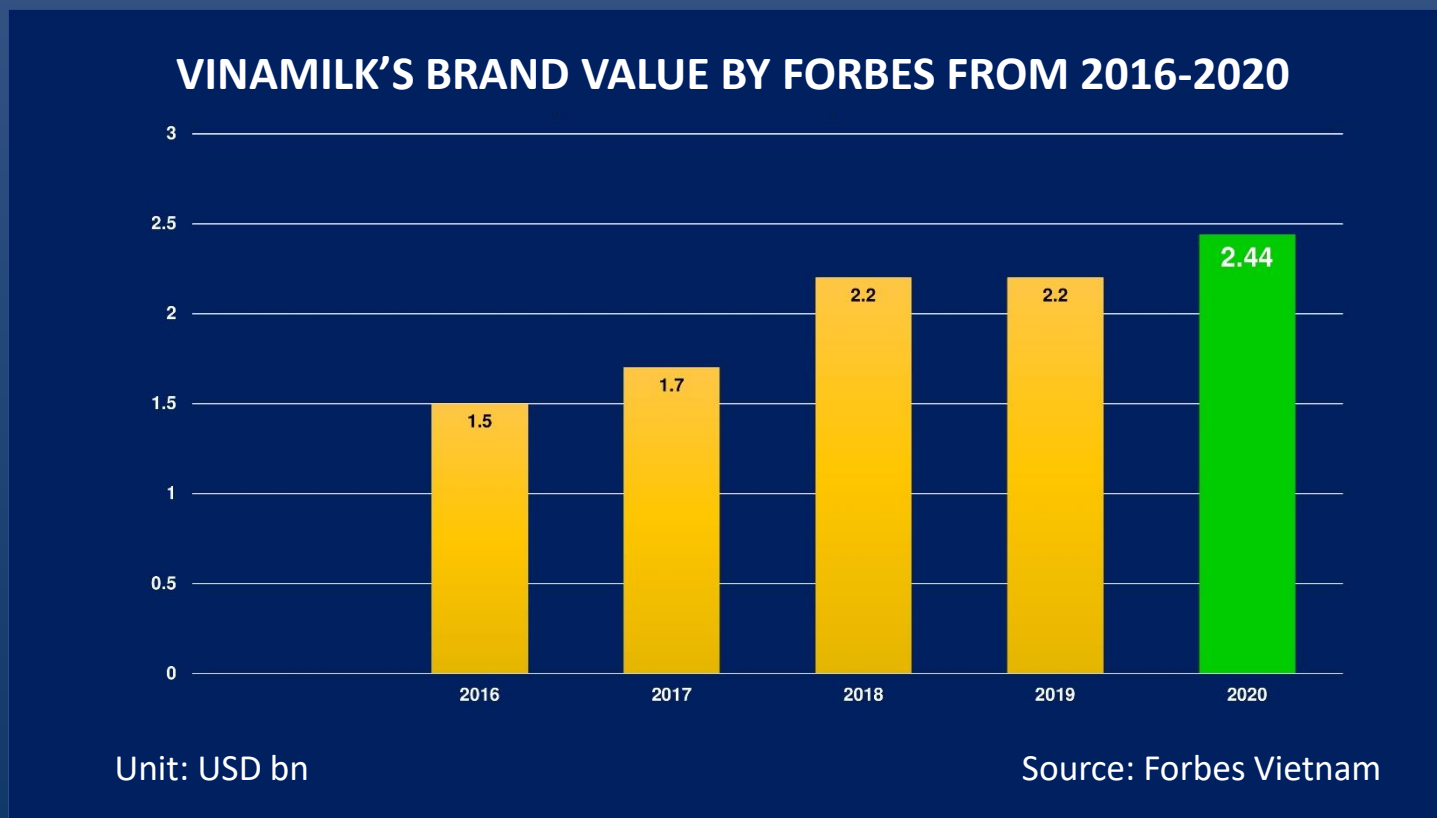
- More efficient sales activities
- Financial income +72% YoY
- CIT incentives for Mocchau Milk (MCM's PAT was VND 106 bn, +41% YoY)

Introduce & Re-introduce 10 products in 1H2020



2020 brand value increases by USD 240 million

Vinamilk brand is valued over USD 2.44 billion by Forbes in 2020 (+USD 240 million vs. 2019), accounting for 20% of total value of the top 50 brands in Vietnam



Appendix – Consolidated P&L summary

Profit & Loss (VND bn)	2Q2020	2Q2019	Change	1H2020	1H2019	Change
Net sales	15,495	14,599	6.1%	29,648	27,788	6.7%
<i>Domestic</i>	13,364	12,425	7.6%	25,457	23,637	7.7%
<i>Overseas</i>	2,131	2,174	-2.0%	4,192	4,152	1.0%
Cost of sales	8,357	7,585	10.2%	15,905	14,619	8.8%
<i>Domestic</i>	7,270	6,426	13.1%	13,658	12,389	10.2%
<i>Overseas</i>	1,087	1,159	-6.2%	2,247	2,230	0.7%
Gross profit	7,138	7,014	1.8%	13,743	13,169	4.4%
<i>Domestic</i>	6,094	5,999	1.6%	11,798	11,247	4.9%
<i>Overseas</i>	1,044	1,015	2.9%	1,945	1,922	1.2%
Selling expenses	3,757	3,648	3.0%	7,151	6,597	8.4%
Other non-interest gain/(loss)	369	209	75.9%	556	366	52.2%
EBITDA	4,306	4,054	6.2%	8,262	7,889	4.7%
Depreciation & Amortization	557	479	16.3%	1,112	951	17.0%
Interest expenses	38	25	48.5%	80	45	76.4%
Pretax Profit	3,711	3,550	4.6%	7,070	6,893	2.6%
Income tax	627	646	-3.0%	1,208	1,191	1.4%
Net Income	3,085	2,904	6.2%	5,861	5,701	2.8%
Earning per share (VND)	1,586	1,501	5.7%	3,013	2,953	2.0%



IR contact
Trung Dong (Mr.)
Investor Relations Manager
E dqtrung@vinamilk.com.vn
T +84 028 54 155 555 / Ext 108247

