

DKSH FY2024 Analyst and Investor Presentation

Sam Oh

Non-Independent Non-Executive Director, DKSH Malaysia

Senthilathiban a/l Thirunilakantan

Non-Independent Executive Director, DKSH Malaysia

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Delivering Growth – in Asia and Beyond.

Agenda



- 1. About DKSH Group**
- 2. DKSH Malaysia at a Glance**
- 3. FY2024 Results**
- 4. Outlook**

1 About DKSH Group

Who We Are



Your Trusted Partner

We enrich people's lives by providing access to goods, services, and insights. United by our vision to be the trusted partner, we help companies grow.



DKSH Is a Successful Market Leader



160 years' experience



4,700

clients & suppliers



28,060

specialists



11.1 billion

Net sales (2024)



>10 years

4 markets

average client relationship¹



19.4

million

transactions per year

¹ Top 200 clients by net sales

We Support Companies to Grow Their Business...



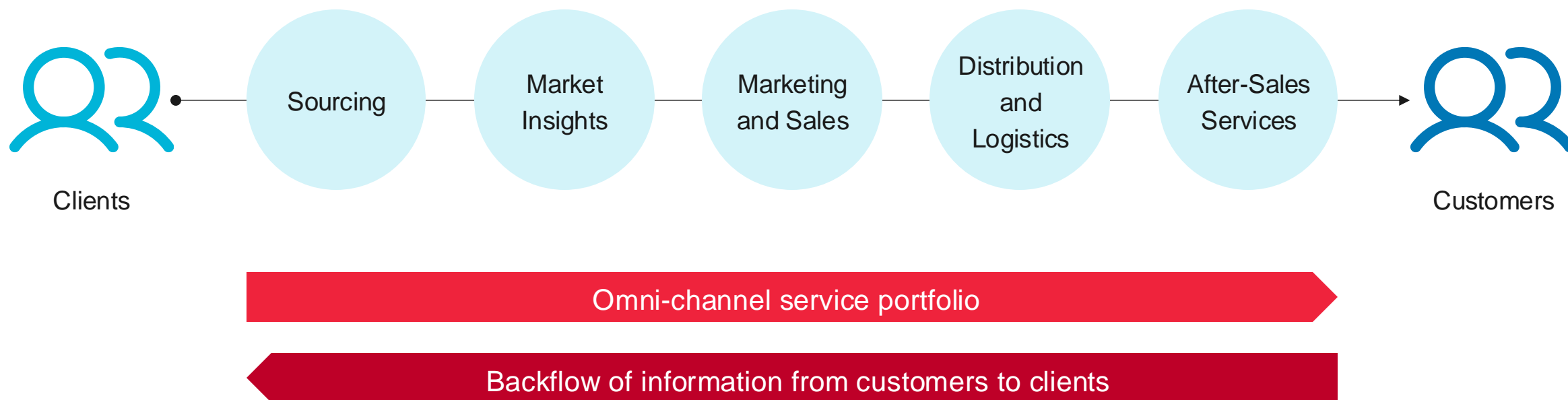
We ensure that our clients' products are visible at all times.

- Helping companies to grow their business in new and existing markets
- Providing business partners with the knowledge, advice, relationships, and on-the-ground logistics to reach their individual growth goals
- Expanding their access to knowledge, their sourcing base, revenue opportunities, and ultimately, their market shares

This is what we define as
Market Expansion Services.

...With a Comprehensive, Tailor-Made Portfolio of Services

Market Expansion Services goes beyond offering individual services – it is about the integration of many different services to meet the needs of business partners



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DKSH Malaysia at a Glance

DKSH Malaysia at a Glance



7.9 billion
net sales (2024)



About **3,400** specialists



21 business locations



4 ISO-certified distribution centers
12 regional distribution centers
1 manufacturing plant



Network of more than **170** clients
and thousands of customers



Three Specialized Business Segments

Consumer Goods



- Fast Moving Consumer Goods
- Food Services

Healthcare



- Healthcare

Others



- Famous Amos
- Others – overheads

Leading the Market Expansion Services industry with tailored solutions across the value chain

Consumer Goods Segment



Fast Moving Consumer Goods (FMCG)

- Food (Nutritional products, snacks, beverages, dairy etc)
- Non-food (Personal care, home care, baby and child care, consumer health etc)
- Pet care

Food Services

- Provide customers high quality ingredients and the latest industry innovations from our world-class clients



DKSH Launches Consumer Goods Food Services Test Kitchen



DKSH proudly announces the launch of its new Food Services Test Kitchen, a facility designed to foster innovation, collaboration, and culinary excellence within the hotel, cafe, restaurant (HORECA), and bakery industries, in Petaling Jaya, Selangor.

Healthcare

- Pharmaceuticals
- OTC & Consumer Health
- Medical Devices



DKSH and FrontierView Publish Whitepaper



DKSH Healthcare and FrontierView, a business intelligence and advisory firm, published a whitepaper providing an in-depth assessment of the healthcare status of the SEA region.

The research collated in DKSH's whitepaper provides a comprehensive analysis of the regional healthcare landscape, the challenges and abundant opportunities present, as well as recommended actions for global healthcare firms wanting to enter the market.

DKSH Partners with Applecrumby® to Distribute Premium Baby Products in Peninsular Malaysia



DKSH is pleased to announce a new partnership with Applecrumby® to expand the availability of high-quality, safe, and natural baby products in Peninsular Malaysia.

Under the agreement, DKSH will provide full market expansion services, including sales, field marketing, distribution, logistics, and credit and collection.

Others Segment



The primary business activity in this segment is the Famous Amos chocolate chip cookie business, specializing in retailing freshly baked cookies and confectionery products.

Serving International Clients...



Trusted Partner for Well-Known International Brands

Consumer Goods:



Healthcare:



...and Local Brands

Reliable Partner for Asian Brands



In Malaysia for Malaysia



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FY2024 Results

FY2024 Results



Financials

(in RM millions)	FY2024	FY2023	Change %
Revenue	7,943.4	7,524.3	5.6%
Profit before interest and tax	188.3	173.9	8.3%
Profit before tax	162.6	147.2	10.5%
Profit after tax	123.1	110.5	11.4%
(in RM sen)			
Earnings per share (EPS)	78.10	70.10	11.4%
Cash earnings per share (Cash EPS)	89.53	81.44	9.9%

Comments

- Revenue improved by 5.6% due to:
 - ✓ Ongoing growth from new and existing clients in both Consumer Goods and Healthcare segments
 - ✓ Expansion in the Others segment
- Operating expenses increased largely in line with the revenue growth
- Profit before tax improved 10.5% due to sales growth and continued cost efficiencies, partially offset by foreign exchange losses as a result of volatility of USD during the year

All business segments contributed to growth

Consumer Goods Segment



Financials			
(in RM millions)	FY2024	FY2023	Change %
Revenue	4,285.2	4,155.4	3.1%
Segment profit before interest and tax	108.6	100.7	7.9%

Comments

- Revenue improved due to the ongoing growth of existing and new clients.
- Operating profit improved by 7.9% due to lower provision for receivables, reduced amortization costs, and continued operational efficiencies, partially offset by margin impact from client mix.

1 FMCG

2 Food Services

Operating profit improved due to cost reductions and efficiencies

Healthcare Segment



Financials			
(in RM millions)	FY2024	FY2023	Change %
Revenue	3,554.9	3,280.8	8.4%
Segment profit before interest and tax	79.2	77.5	2.3%

Comments
<ul style="list-style-type: none"> Revenue improved by 8.4% due to growth from existing and newly secured clients Segment profit increased by 2.3%, driven by sales growth and offset primarily by higher advertising and promotion expenses

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Healthcare

Sales growth led to increased revenue and better operating result

Others Segment



Financials			
(in RM millions)	FY2024	FY2023	Change %
Revenue	103.3	88.1	17.2%
Segment loss before interest and tax	0.4	(4.3)	110.2%

Comments

- Revenue grew by 17.2% driven by strong sales and outlets expansion
- Segment profit improved by 110.2% due to sales growth

1 Famous Amos

2 Others – overheads

Revenue improved due to strong growth and outlet expansion

Cash Flows



Financials		
(in RM millions)	FY2024	FY2023
Net cash flows from/(used) in operating activities	46.0	12.9
Net cash flows used in investing activities	(13.8)	(15.4)
Net cash flows used in/from financing activities	22.4	13.8
Cash and cash equivalents	93.5	39.0

Comments

- Higher cash flows generated from operating activities driven by improved sales growth from all segments; higher borrowings to fund working capital
- Net result of in improved cash position

Sales growth and better working capital management

4 Outlook

Outlook

- The economic outlook remains uncertain.
- The Group maintains a well-diversified portfolio and will continue to focus on enhancing its people capabilities, accelerating digitalization, and leveraging automation, and remains cautiously optimistic on the outlook of the business.
- Our strategy remains on growing existing and securing new businesses, improving cost and resource efficiency, managing working capital, and consistently monitoring the outlook to navigate the prevailing environment.

With a well diversified portfolio, the Group is well positioned to benefit from favorable long-term market, industry, and consolidation trends in Asia Pacific



Two market trends...

1 Growing middle class in Malaysia

2 Trend towards outsourcing

Increased spending on value-for-money consumer goods and healthcare products

Investments in local infrastructure and industries

...boost expansion, consumer/industrial spending as well as MES industry



We welcome your questions

Thank you for your attention