



Nestlé & *Hsu Fu Chi*: Winning in the New Reality

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Disclaimer

This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

Welcome to *Hsu Fu Chi*, a brand that will live over 100 years

***Hsu Fu Chi* provides consumers with
high quality products &
the best tasting snacking choices,
creating delightful moments**



Mekey Hsu Chen
Founder & CEO of *Hsu Fu Chi*



Since 2011, *Hsu Fu Chi* is part of “the Nest”
as a 60/40 partnership with the founding family

Hsu Fu Chi is the leader in sweet confectionery in China with a unique sales model



Invented and developed the
Pick & Mix format in China
**3,500+ displays in
hyper/supermarkets**

Candies chocolates cakes wafers jellies
cookies snacks sachima
~ 900 products



Hsu Fu Chi corporate milestones



Company founded in the PRC

1992



Transpac invested & introduced new vision

1997



Created first automated Sachima line

2004

1994

Established *Hsu Fu Chi* trade mark



2000

Started to build proprietary distribution network



Hsu Fu Chi corporate milestones



Publicly listed on the SGX ST

2006



Entering Hsu Fu Chi & Nestlé joint venture

2011

2007

Top selling brand of candies for the 10th consecutive year

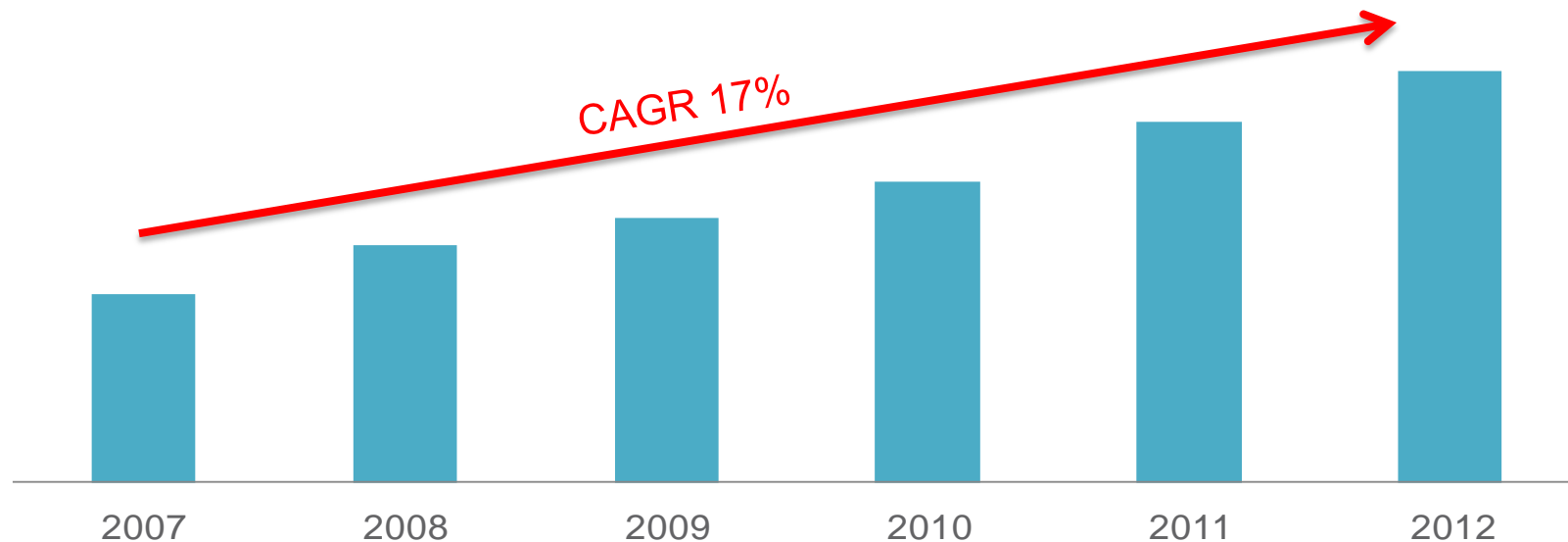


2012

20-year anniversary



Fast & profitable growth over the last 5 years



Hsu Fu Chi sales in “Hsu Fu Chi financial years”

Hsu Fu Chi financial year: from July to June

Nestlé is joining forces with *Hsu Fu Chi*



***Hsu Fu Chi* – An outstanding business from which to build**

Strong in *Pick & Mix* whilst moving to shelf



- Strongly branded concepts
- Small pieces into multipacks
- Meeting key price points
- Building understanding of shelf management and placement

Expanding capacity to support future growth

2 production bases in Guangdong (South) and Henan (Centre)

- 45 workshops
- 187 production lines
- 420 high speed packing lines
- 80% imported equipment

Opened new factory in Zhumadian in 2010



Enhancing R&D capability at *Hsu Fu Chi*

- Combining knowledge of Chinese consumers
- Sharing Nestlé know-how in Biscuits, Sugar Confectionery & Chocolate
- Bringing Nutrition, Health and Wellness





Thank you!