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13 May 2019

Subject: Management Discussion and Analysis for Q1' 2019

 To : The President
 The Stock Exchange of Thailand

After You Public Company Limited (the "Company") operates dessert and bakery businesses. The Company divided its businesses into 3 categories as follows

- 1) Dessert café and beverage outlets under "After You" brand and "Maygori" brand. As of 31 March 2019, there were 35 branches under the name of "After You dessert café " (31 branches as of 31 December 2018) and 1 branch of Maygori (1 branches as of 31 December 2018)
- 2) Non-café sales (finished or intermediate products). For instance, on-line sales , Head office pick-up, OEM / food Manufacturing under Company's trademark or per customers' demand.
- 3) Catering service such as parties, wedding receptions, and any occasion or restaurants. Pop-up booth sales in various locations.

The Company has 3 subsidiaries, Aurum and Aurum Company Limited, M&M 2007 Co. which operates raw material and equipment sourcing and import, and After You Hong Kong Limited (not yet operated) , together with the Company, the "Group"

Performance Analysis

Income

Business categories	by	3 mo. Ended 31 Mar.				% Change
		2562		2561		
		Mil. Bt	%	Mil. Bt	%	
<u>Income from Sales</u>						
1. Café Sales	Co.	266.22	91.99	195.18	96.84	36.40
2. Non- Café' Sales (Trading)	Co.	16.30	5.63	0.26	0.13	6,169.23
3. Catering / Pop up	Co.	4.32	1.49	3.99	1.98	8.27
Income from Sales		286.84	99.11	199.43	98.95	43.83
Other Income		2.57	0.89	2.11	1.05	21.80
Total		289.41	100.00	201.54	100.00	43.60

Remarks : Same Store Sales Growth : SSSG was 11.70%

Income from café' sales for the 3-Month ended 31 March 2019 totaled THB 266.22 million, increased 36.4 % from THB 195.18 million in same period of last year. The rising part was from 7 more branches than Quarter 1 last year and high Same Store Sale Growth.

Non-café' sales (trading) rose from THB 0.26 million in Quarter 1/2018 to THB 16.3 million in Quarter 1/2019. The reason was higher volume in customers' order and online sales starting from late 2018.

The Group of Companies has other income of THB 2.57 million in Quarter 1/ 2019, from THB 2.11 million in Quarter 1 /2018. The major part was income from transportation revenue, income from voucher unused from customers and compensation from delayed construction.

Cost of Sales and Gross Profit

Unit : THB mm Unless otherwise stated	3 months ended Mar 31	
	2019	2018
Total sales	286.84	199.43
Cost of Sales	98.53	64.68
Gross Profit	188.31	134.75
Gross Profit Margin (%)	65.65	67.57

For the first Quarter ended 31 March 2019, the company's gross profit equaled THB 188.31 million or 65.65%, which were lower than 67.57% in Quarter 1/ 2018. The factor was higher take-home products and larger OEM volume which yield somewhat lower gross profit than previous period, however higher net margin.

Selling Expenses

Selling expenses mainly consist of salary for the café's staff, space and equipment rental expenses, utility expenses, and other selling expenses such as marketing and promotional expenses, and depreciation of asset in each branch.

In Quarter 1/ 2019 and Quarter 1/2018, the Company incurred selling expense totaling THB 74.997 and THB 66.345 million respectively. Such THB 8.6 million or 13% increase was from rental and staffs' cost at new branches open. However, the selling expense portion from total income drop 7% from 32.9% in Quarter 1/2018 to 25.9% in Quarter 1/2019. The reason was from manpower expense per branch reduced from efficiency and re-designing workflow in order to bring down staffs' wages. Moreover, higher SSSG (including home delivery) also contributed lower ratio of rental and equipment expenses.

Administrative Expenses (Admin.)

The Administrative Expenses in Quarter 1/2019 and Quarter 1/ 2018 was THB 41.55 million and THB 32.98 million respectively. The increase of THB 8.6 million or 26% was from more staff cost at head office to serve new business activities and branch expansion. However, the ratio of Admin. Expense over total income for Quarter 1/ 2019 and Quarter 1/2018 were 14.35% and 16.37% respectively, 2% down due to higher income.

Income tax expense

The Company's income tax expense for Quarter 1 /2019 and Quarter 1/ 2018 were THB 14.61 million and THB 6.30 million respectively. Such figures were accounted for 19.67% and 16.81% per net profit before tax.

Net profit and Net profit margin

Net profit were THB 59.68 million and THB 31.17 million in Quarter 1 of 2019 and that of 2018 respectively. The THB 28.51 million shift or 91.47%.

Net Profit margin for Quarter 1 /2019 and Quarter 1 / 2018 were 20.62% and 15.47% respectively. Such 5.15% increase was brought by selling and Admin. expense control at slower pace than sales growth rate.

Analysis of Financial Position

Assets

As at 31 March, the group of companies had total assets of THB 1,163.58 million and THB 1,097.42 million in 2019 and YE 2018 respectively. The main assets consists of cash and cash equivalent, short-term investment, land, buildings and equipment.

Cash and cash equivalent

As at 31 March of 2019 and YE 2018, cash and cash equivalent equaled THB 38.32 million and THB 62.55 million respectively. The THB 24.23 million drop was mainly spent out for plant and branch construction.

Trade receivable and other receivable

As at 31 March of 2019 and YE 2018, the trade and other receivables totaled THB 24.99 million and THB 13.73 million respectively. The THB 11.26 million growth was from higher OEM order.

Restricted bank deposit

As at March 31, 2019 and YE 2018, the group of companies has bank guarantee deposit of THB 0.20 million and THB 3.48 million respectively. The reduction was from repayment in rental guarantee deposit after branch termination.

Land building and equipment

As of Quarter 1 /2019 and YE 2018, the group of Companies had land, building and equipment (net) totaling THB 572.66 million and THB 504.90 million respectively. The THB 67.76 million increase was from branch and construction in plant expansion.

Advance for asset acquisition.

As at 31 March of 2019 and YE 2018, there were THB 5.41 million and THB 12.57 million respectively. The THB 7.16 million drop was from plant addition and production equipment payment.

Liabilities

As at 31 March of 2019 and YE 2018, main liabilities of the group of Companies consisted of trade and other payables, tax payable, other current liabilities, provision for decommissioning and provision for long-term benefit. Total liabilities were THB 146.80 million and THB 140.32 million in Quarter 1/2019 and YE 2018 respectively.

Trade Payable and other payables

As at 31 March 2019 and YE 2018, the Group's had trade payable and other payable of THB 75.19 million and THB 82.48 million respectively. The THB 7.29 million reduction was from pay-out in construction and asset payable.

Income Tax Payable

As at 31 March 2019 and YE 2018, the Group had THB 33.42 million and THB 19.44 million respectively. The THB 13.98 million increase was from higher net profit.

Shareholders' Equity

As at 31 March 2019 and YE 2018, the Group had THB 1,016.78 million and THB 957.10 million in equity. The higher portion was due to THB 59.68 million net profit.

Please be informed accordingly,

Yours sincerely,

(Mr. Maetup T.Suwan)
Managing Director