

Financial Highlights

- Q1'19 Net profit* was at THB 888 million, +13.4% YoY and +12.6% QoQ. Q1'19 Net profit* margin was at 14.0%, +120 bps YoY and +150 bps QoQ.
- Overall Q1'19 Net Sales were at THB 6,366 million, or +4.2% YoY, driven by all business units. Domestic beverages grew 4.0% YoY. Total personal care continued to grow 6.4% YoY, of which CLMV markets grew 31.6%. Overall international business grew 8.6% at constant FX rate, driven by CLM. OEM-glass bottles sales were back on track with 44.5% growth YoY and 3.4% growth QoQ.
- In Q1'19, the Company maintained its leadership position with total market share of 31.1% in Brain and Body Boost ("BBB") products which include energy drinks, sport drinks, ready-to-drink coffee and functional drinks. While energy drinks market continued its growth momentum of 5.3% in Q1'19 vs. 4.2% growth in Q4'18, the Company using multi-brand portfolio strategy to maintain Q1'19 market share in energy drinks at 53.7%, which aligned with our mid-term guidance. In functional drinks market, C-Vitt maintained its leadership position, with Q1'19 market share of 27.9% increased by 290 bps QoQ, leaving 900 bps gap to the 2nd player.
- Gross margin improved 270 bps YoY to 34.8% in Q1'19 mainly contributed by the performance of Fitness First project e.g. lower cullet costs, new formulation, lower sugar costs, however, somewhat offset by cost increase from natural gas.

*Net Profit = Net Profit attributable to owners of the parent

Financial Performance for Q1'19
Consolidated Income Statement Summary

Unit: THB mn	Q1'19	Q1'18	% YoY	Q4'18	%QoQ
Total revenues	6,512	6,340	2.7%	6,519	-0.1%
Total revenues from sales	6,366	6,110	4.2%	6,333	0.5%
Beverages	5,321	5,167	3.0%	5,231	1.7%
Personal Care	648	609	6.4%	675	-4.0%
Others	397	334	19.2%	427	-6.8%
Total other income	146	230	-36.4%	186	-21.7%
Gross profit	2,214	1,960	12.9%	2,186	1.3%
SG&A	1,322	1,262	4.8%	1,337	-1.0%
Selling and distribution expenses	884	924	-4.3%	903	-2.1%
Administrative expenses	438	338	29.6%	434	1.1%
EBIT	1,098	973	12.9%	1,073	2.4%
EBITDA	1,339	1,236	8.3%	1,342	-0.2%
Profit for the period from continuing operations	897	787	14.0%	796	12.6%
Profit for the period from discontinued operation, net of tax	-	12	-100.0%	-	-
Profit for the period	897	799	12.3%	796	12.6%
Profit attributable to owners of the parent	888	783	13.4%	789	12.6%
Key Ratios (%)					
Gross profit margin	34.8%	32.1%	2.7%	34.5%	0.3%
SG&A to net sales ratio	20.8%	20.7%	0.1%	21.1%	-0.3%
EBIT margin	17.3%	15.9%	1.4%	16.9%	0.4%
EBITDA margin	21.0%	20.2%	0.8%	21.2%	-0.2%
Net profit margin for the period	14.1%	13.1%	1.0%	12.6%	1.5%
Net profit margin attributable to the owners of the parent	14.0%	12.8%	1.2%	12.5%	1.5%

Key Change in Segment Grouping

In 2019, the Company has changed reportable segments. The strategic divisions offer different products and services and are managed separately because they require different business operation and marketing strategies. The new segments are comprised of 3 segments as the following; 1) Beverage 2) Personal Care and 3) Others. C-Vitt and Calpis are now moved to Beverage segment. Others segment includes OEM, healthcare, confectionary and others. Q1'18 numbers have been restated accordingly.



Financial Performance Summary for Q1'19 vs. Q1'18

The Company reported Q1'19 total revenues from sales of THB 6,366 million, increased by 4.2% YoY (or THB 256 million), driven by growth in every segment. C-Vitt continued its momentum with 148.9% growth YoY and energy drinks with herbal benefits, Som-in-Sum and Chalarm Black Galingale, were the key drivers. Besides, OEM-glass bottles sales showed improvement with the growth of 44.5% YoY and 3.4% QoQ, after building back the customer base since major maintenance of a furnace in Ayutthaya in Q1'18. International business grew 8.6% at constant FX rate. However, the reported numbers showed stable growth due to the unfavorable FX impact.

Beverages Segment

Domestic beverages net sales were at THB 4,388 million, THB 171 million higher than Q1'18 (or +4.0% YoY) and our international business showed +7.0% growth YoY at constant FX. However, reported international beverages business declined by 1.8% from FX impact. As a result, total revenues from sales of beverages segment booked at 5,321 million, increased by THB 154 million (or +3.0% YoY) in Q1'19.

Domestic market: Energy drinks with herbal benefits continued its strong growth momentum, where Som In-Sum sales increased by 21.6% YoY and Chalarm Black Galingale drove overall Chalarm brand growth of 25.7%. C-Vitt traction drove the brand growth of 148.9% YoY and helped maintaining its number one position in functional drinks for three consecutive quarters since Q3'18. Q1'19 C-Vitt market share showed at 27.9% further improved 290 bps QoQ and 1,140 bps YoY.

Overseas markets: Total revenues from sales showed at THB 1,018 million in Q1'19 with stable growth. However, at constant FX, international business sales growth was at 8.6% YoY in Q1'19, where CLM markets booked 10.7% growth YoY.

Personal Care Segment

Total personal care revenues increased by THB 39 million (or +6.4% YoY) to THB 648 million, mainly from favorable international business growth of 31.6% YoY. Moderate growth in domestic market at 3.4%, was due to last year forward stock into Q1'18 to prepare for the company name change from private to public company. Joint-scheme with BNK 48 helped uplifting Twelve Plus brand image and drove sales growth in Exit (our male grooming brand).

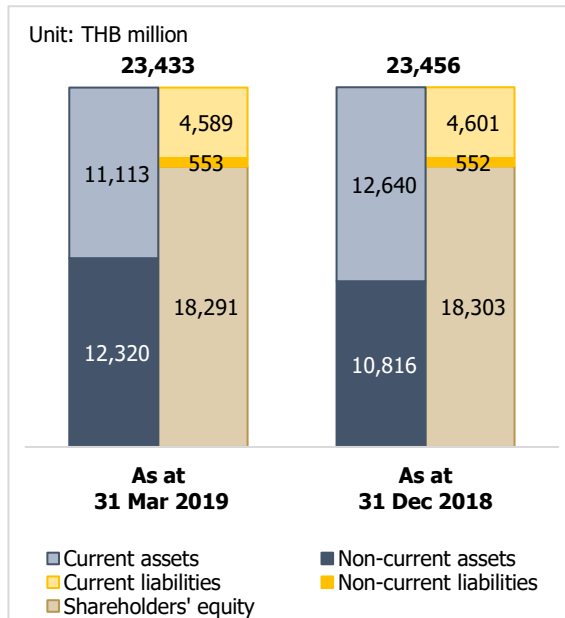
Others Segment

Q1'19 OEM net sales showed +13.8% growth YoY. Overall others segment revenues booked at THB 397 million, increased THB 63 million (or +19.2% YoY).

Q1'19 the Company's gross margin improved to 34.8%, +270bps YoY and +30bps QoQ. Gross profit increased by THB 254 million YoY (or 12.9%) to THB 2,214 million in Q1'19. The big improvement was resulted from Fitness First (cost saving project), which drove the overall costs down. Also, Fitness First Phase II has been kicked off and now called "Fit Fast Firm" project. This year, on top of 2018 on-going saving programs, our focuses will be on warehouse and distribution optimization, packaging optimization, new lighter weight bottles and more formulation optimization.

The Company's total SG&A level was at 20.8% of sales, in-line with Q1'18 level and -30 bps QoQ. Lower spending on A&P was due to phasing of spending as per marketing activities and high base last year base from M-Presso launched supports. However, admin expenses increased by 29.6% YoY due to low amounts from several reversals last year e.g. reversal of provision for Kenya; in addition to higher benefit accrual in 2019.

The Company Q1'19 reported profit for the period was THB 897 million (+12.3% YoY) and the profit attributable to owners of the parent was THB 888 million (+13.4% YoY).

Financial Position
Balance Sheet

Balance Sheet Breakdown

ASSETS (THB mn)	As at 31 Mar 2019	As at 31 Dec 2018
Cash and cash equivalents	3,840	4,486
Current investments	2,596	3,500
Trade and other receivables	3,209	3,030
Inventories	1,389	1,557
Other current assets	79	67
Total Current Assets	11,113	12,640
Net PP&E	7,370	6,518
Long term investments	3,575	2,608
Other assets	1,375	1,690
Total Non-Current Assets	12,320	10,816
Total Assets	23,433	23,456

LIABILITIES and EQUITIES (THB mn)	As at 31 Mar 2019	As at 31 Dec 2018
Trade and other payables	3,955	4,131
Other liabilities	1,187	1,022
Total Liabilities	5,142	5,153
Issued and paid-up share capital	3,004	3,004
Share Premium	11,848	11,848
Retained earnings	3,285	3,298
Surplus on business combination under common control	353	353
Other components of SE	(423)	(415)
Non-Controlling Interest	224	215
Total Shareholders' equity	18,291	18,303
Total Liabilities & Equity	23,433	23,456

As of 31 March 2019, the Company had total assets of THB 23,433 million, a decrease of THB 23 million (or -0.1%) from 31 December 2018. Cash and cash equivalents decreased by THB 646 million, where cash inflow from operation was offset by cash outflow for PPE and interim dividend pay out in Feb'19. Current investment decreased by THB 904 million due to the shift from short-term to long-term investments (see more details in notes to financial statement 4 Other investments). Net PPE increased by THB 852 million from investing in a new glass factory (SGA2).

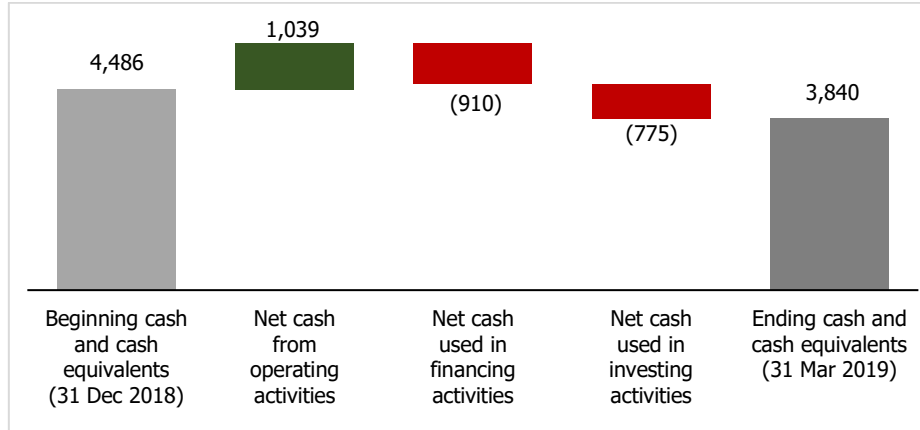
As of 31 March 2019, the Company had total liabilities of THB 5,142 million, a decrease of THB 11 million (or -0.2%) from 31 December 2018 primarily from lower trade and other payable of THB 176 million which was offset by higher income tax payable of THB 160 million.

As of 31 March 2019, the Company had total shareholders' equity of THB 18,291 million, which almost at the same level as total shareholders' equity of THB 18,303 million as at 31 December 2018.



Cash Flow

Unit: THB millions



As of 31 March 2019, the Company had cash and cash equivalents of THB 3,840 million, decreased by THB 646 million from 31 December 2018. The Company had cash flows from operating activities of THB 1,039 million. Net cash used in financing activities THB 910 million was mainly from 2018 interim dividend paid to OSP shareholders of THB 900 million in Feb'19. The Company's cash outflow from investing activities of THB 775 million was mainly from an investing in new glass factory (SGA2), work in progress of beverage manufacturing facilities in Myanmar and new talcum plant.



Financial Ratio Analysis

	Q1'19	Q1'18
Liquidity Ratios		
Current ratio (times)	2.4	0.6
Number of days of inventory	32	39
Collection period (days)	43	43
Accounts payable (days)	43	43
Profitability Ratios		
Gross profit margin (%)	34.8	32.1
EBITDA margin (%)	21.0	20.2
Net profit margin for the period (%)	14.1	13.1
Net profit margin attributable to owners of the parent (%)	14.0	12.8
Return on equity (%) - trailing	28.3	67.0
Return on assets (%) - trailing	15.8	16.8
Other Ratios		
Total debt to equity (times)	0.3	3.1

The Company's gross profit margins was 34.8% in Q1'19 compared to 32.1% in Q1'18. SG&A to net sales ratios of 20.8% in Q1'19 compared with 20.7% in Q1'18, the Company's EBITDA margin increased from 20.2% in Q1'18 to 21.0% in Q1'19 and net profit margins attributable to owners of the parent improved from 12.8% in Q1'18 to 14.0% in Q1'19.

Q1'19 cash cycle of 32 days, compared with 39 days in Q1'18, came from lower inventory. High current ratio was at 2.4 times, as the Company had a large amount of cash and current investments from IPO proceeds. Debt to equity ratio was at 0.3 times.



APPENDIX: Ratio & Formula

Liquidity Ratios

Current ratio (times) = Total current assets / Total current liabilities

Number of days of inventory = Average inventory / (Cost of sales of goods / Number of days in the period¹)

Collection period (days) = Average trade account receivables before allowance for doubtful account / (Total revenue from sales / Number of days in the period¹)

Accounts payable (days) = Average account payables / (Cost of sales of goods / Number of days in the period¹)

Profitability Ratios

Gross profit margin (%) = (Total revenues from sales – Total cost of sales of goods) / Total revenues from sales

SG&A to net sales ratio (%) = (Selling and distribution expenses + Administrative expenses) / Total revenues from sales

EBIT margin (%) = (Profit before income tax expense + Finance Cost) / Total revenues from sales

EBITDA margin (%) = (Profit before income tax expense + Finance Cost + Depreciation and Amortization) / Total revenues from sales

Net profit margin for the period (%) = Net Profit for the period / Total revenues from sales

Net profit margin attributable to the owners of the parent (%) = Net Profit attributable to owners of the parent / Total revenues from sales

Return on equity (%) = Profit for the period / Average total equity

Return on assets (%) = Profit for the period / Average total assets

Other Ratios

Debt to equity (times) = Total liabilities / Total equity

¹ Number of days in the period is defined to have 360 days in a year. For example, 90 days and 180 days should be used for quarterly and half-year ratio analysis.