

May 11th, 2021

The President

The Stock Exchange of Thailand

Re: Management Discussion and Analysis on 1Q21 performance

1. Financial performance of Berli Jucker Public Company Limited for 1Q21

COVID-19 pandemic

During the first quarter of the year, the situation in Thailand continued being impacted by COVID pandemic as the second COVID wave that started in December 2020 carried over to 1Q21. The prompt and targeted control measures brought the situation relatively quickly under control, with the situation starting to improve in February. However this was followed by the new COVID wave in March which is still continuing with additional control measures put in place in effort to bring it under the control. On top of this situation most of our supply chains faced high base effect from the 1Q20 when the situation was still relatively normal for the first two months of the quarter, and subsequently many of our supply chains benefitted from the customer stocking up behavior prior to the first lockdown starting in late March 2020.

Regarding the impact of the situation to the operations of the Company's different supply chains during the first quarter of the year:

Packaging Supply Chain: During the first quarter of the year our packaging supply chain continued being impacted by the ongoing COVID situation due to its overall negative impact on tourism and border trade. When comparing year-on-year, we also faced high base effect from the previous year, as the situation in 1Q20 was still relatively normal for January and February, and we benefitted from the customer stocking up behavior prior to the first lockdown in late March 2020.

Consumer Supply Chain: Whilst our Consumer Supply Chain's overall sales remained relatively stable from the previous quarter, the year-on-year comparison was heavily impacted by the high base effect as particularly our Non-Food and International Trading businesses benefitted from the customer stocking up behavior since late February 2020 prior to the first lockdown period.

Healthcare and Technical Supply Chain: The COVID related situation of the Healthcare Supply Chain continued from the previous quarter, as whilst we continued seeing some benefits from the COVID related sales, the lower than usual demand in certain types of medicine such as antibiotics, and lackluster sales of OTC medicines, particularly to modern retail channel, continued, as social distancing and increased personal hygiene has lowered certain common illnesses. Meanwhile the COVID related impact to Technical Supply Chain sales was relatively limited during the quarter.

Modern Retail Supply Chain: On top of facing the high comparison base from the same period last year, the negative impact from the current COVID situation continued dampening the consumption sentiment during the quarter. In addition, the ongoing Government's stimulus schemes, such as "Co-payment", and "We Win", also caused some shift of consumer spending to traditional trade as modern retailers were not able to participate to them. The situation also caused negative impact to our rental income as we offered rental discounts to help our tenants during the challenging period, and the overall rental occupancy rate decreased somewhat from the previous quarter.

Revenues

BJC's consolidated total revenue for 1Q21 reached THB 35,616 million, representing a decrease of THB 6,712 million or -15.9% over the same period last year. This decrease was mainly driven by the consolidated sales and service revenue declining to THB 32,520 million, a decrease of THB 5,963 million or -15.5% over the same period last year, driven by decreasing sales at Packaging, Consumer, and Modern Retail Supply Chains. Whilst the consolidated other income reached THB 3,037 million, a decrease of THB 659 million or -17.8% over the same period last year, mainly driven by declining other income at Modern Retail Supply Chain due to the negative impact of COVID situation leading to rental discounts and lower occupancy rate when compared to the same period last year.

When compared to previous quarter, BJC's consolidated total revenue in 1Q21 decreased THB 3,015 million or -7.8% from 4Q20. The decrease was driven by declines at all supply chains mainly due to seasonality and the impact from the second and third COVID waves.

Expenses

BJC's consolidated total expenses for 1Q20 amounted to THB 34,309 million, a decrease of THB 6,204 million or -15.3% over the same period last year. This decrease was mainly due to (1) decreased cost of goods sold expenses due to lower sales, and (2) decreased SG&A expenses mainly due to strong cost control focus and lean organization initiatives.

When compared to previous quarter, BJC's consolidated expenses in 1Q21 posted a decrease of THB 2,551 million or -6.9% from 4Q20. This decrease was mainly due to (1) decreased cost of goods sold expenses due to lower sales, and (2) decreased SG&A expenses mainly due to strong cost control focus.

Earnings before Interest and Tax

BJC's earnings before interest and tax for 1Q21 amounted to THB 2,508 million, a decrease of THB 566 million or -18.4% over the same period last year. This year-on-year decrease was due to the abovementioned reasons. If we remove the one-time expense relating to the acquisition project amounting to THB 76 million baht booked in 1Q20, the recurring earnings before interest and tax for 1Q21 decreased by THB 642 million or -20.4% over the same period last year.

When compared to previous quarter, BJC's consolidated earnings before interest and tax in 1Q21 decreased by THB 507 million or -16.8% from 4Q20. This decrease was driven by seasonality and the impact from the second and third COVID waves to the Packaging and Modern Retail Supply Chains.

Net Profit Attributable to Equity Holders

BJC's consolidated net profit attributable to the equity holders of the Company for 1Q21 reached THB 1,013 million, a decrease of THB 267 million or -20.8% from the same period last year, driven by the abovementioned reasons. If we remove the one-time expense relating to the acquisition project of THB 61 million baht after tax booked in 1Q20, the recurring net profit available for the equity holders of the Company decreased by THB 328 million or -24.4% over the same period last year.

When compared to previous quarter, BJC's consolidated net profit attributable to the equity holders of the Company in 1Q21 decreased by THB 341 million or 25.1% from the previous quarter, driven by decreases at the Packaging, and Modern Retail Supply Chains, due to the abovementioned reasons.

Key highlights of 1Q21

Unit: Million THB	1Q21	4Q20	1Q20	%QoQ	%YoY
Packaging Supply Chain	4,571	5,373	5,038	(14.9)	(9.3)
Consumer Supply Chain	4,971	4,989	5,580	(0.4)	(10.9)
Healthcare and Technical Supply Chain	1,926	2,158	1,881	(10.8)	2.4
Modern Retail Supply Chain	22,022	23,505	26,970	(6.3)	(18.3)
Others	(970)	(922)	(986)	5.2	(1.6)
Sales & Services	32,520	35,103	38,483	(7.4)	(15.5)
Other income	3,037	3,528	3,695	(13.9)	(17.8)
Gain from foreign exchange	59	-	150	100.0	(60.7)
Total revenues	35,616	38,631	42,328	(7.8)	(15.9)
Cost of goods sold	26,299	28,173	31,191	(6.6)	(15.7)
Gross profit	6,221	6,930	7,292	10.2	(14.7)
Selling expenses	5,757	6,033	6,692	(4.6)	(14.0)
Administrative expenses	998	1,369	1,300	(27.1)	(23.2)
Loss from foreign exchange	-	(33)	-	(100.0)	-
Share of profits (loss) from investments	(54)	(10)	(72)	(440.0)	(25.0)
Earnings before interest and tax	2,508	3,015	3,073	(16.8)	(18.4)
(Recurring earnings before interest and tax)¹	2,508	3,015	3,150	(16.8)	(20.4)
Interest expense	1,254	1,286	1,330	(2.5)	(5.7)
Earnings before tax	1,254	1,729	1,743	(27.5)	(28.1)
Tax	123	218	299	(43.6)	(59.9)
Net profit	1,131	1,511	1,444	(25.1)	(21.7)
Attributable to:					
Minority interests	118	158	165	(25.3)	(28.5)
Equity holders of the Company	1,013	1,353	1,279	(25.1)	(20.8)
One-time items after tax:					
Expenses relating to acquisition project	-	-	(61)	-	(100.0)
Equity holder of the Company (Excluding one-time items)¹	1,013	1,353	1,340	(25.1)	(24.4)

Key Financial Ratios	1Q21	4Q20	1Q20	%QoQ	%YoY
Gross profit as % to sales*	19.1%	19.7%	18.9%	-61 bps	+18 bps
SG&A as % to sales*	20.8%	21.1%	20.8%	-31 bps	+0 bps
Recurring EBIT margin as % to sales* ¹	7.7%	8.6%	8.2%	-88 bps	-47 bps
Recurring Net Profit margin (attributable to equity holders of the Company) as % to sales* ¹	3.1%	3.9%	3.5%	-74 bps	-37 bps
Net IBD to equity (times)	1.2	1.3	1.3	-2 bps	-6 bps

* As percentage to sales excluding other income

¹ Excluding THB 76 million (THB 61 million after tax and minority interest expense) expenses relating to acquisition project in 1Q20

2. Financial performance summary by supply chain

Packaging Supply Chain

Unit: Million THB	1Q21	4Q20	1Q20	%QoQ	%YoY
Sales	4,571	5,373	5,038	-14.9%	-9.3%
Net profit	488	575	492	-15.1%	-0.8%
<i>% Recurring net profit margin</i>	<i>10.7%</i>	<i>10.7%</i>	<i>9.8%</i>	<i>-2 bps</i>	<i>+92 bps</i>

Performance in 1Q21

In 1Q21, Packaging Supply Chain reported sales of THB 4,571 million, a decrease of THB 467 million or -9.3% over the same period last year. This was mainly driven by COVID related impact and high base effect from the same period during the previous year, and the impact arising from the current situation in Myanmar to some of our aluminum can customers in Thailand. When compared to previous quarter, the sales decreased by THB 802 million or 14.9% from 4Q20, driven by the seasonality impact and the abovementioned reasons impacting year-on-year comparison.

Packaging Supply Chain's gross profit margin increased to 22.0% in 1Q21 from 21.3% in 1Q20 driven by increasing gross profit margin in glass packaging businesses due to lower raw material prices, and good cost management, whilst aluminum can packaging margin decreased due to lower utilization due to COVID related impact and the impact arising from the situation in Myanmar. Packaging Supply Chain's EBIT margin decreased slightly to 16.1% in 1Q21 from 16.3% in 1Q20 due to lower sales and the negative impact from the aluminum can packaging.

Net profit attributable to the equity holders of the Company reached THB 488 million, relatively stable with a slight decrease of THB 4 million or -0.8% over the same period last year, due to above mentioned reason. When compared to previous quarter, the net profit attributable to the equity holders of the Company decreased by THB 87 million or -15.1% from 4Q20, driven by seasonality impact to sales, and higher share of loss from investment in associates due to increased freight costs.

Glass Packaging Business

In 1Q21, glass packaging business reported sales of THB 2,793 million, a decrease of -4.0% over the same period last year. When compared with previous quarter, glass packaging sales decreased by -7.4% from 4Q20, driven by seasonality. Glass packaging contributed approximately 61.0% of total Packaging Supply Chain sales for the quarter. Net profit attributable to the equity holders of the Company in 1Q21 increased over the same period last year, and from the previous quarter, due to the lower raw material prices, and good cost control.

Aluminum Can Business

In 1Q21, aluminum can business reported sales of THB 1,778 million, a decrease of -16.5% over the same period last year. When compared with previous quarter, aluminum can packaging sales decreased by -24.5% from 4Q20. These declines were driven by the high base effect, seasonality impact, and the negative impact from the situation in Myanmar to some of our aluminum can customers. Aluminum can business contributed approximately 39.0% of total Packaging Supply Chain sales. Net profit attributable to the equity holders of the Company in 1Q21 decreased over the same period last year, and from the previous quarter, mainly driven by the abovementioned reasons.

Consumer Supply Chain

Unit: Million THB	1Q21	4Q20	1Q20	%QoQ	%YoY
Sales	4,971	4,989	5,580	-0.4%	-10.9%
Net profit	339	220	348	+54.1%	-2.6%
% Recurring net profit margin	6.8%	4.4%	6.2%	+240 bps	+58 bps

Performance in 1Q21

In 1Q21, Consumer Supply Chain reported sales of THB 4,971 million, a decrease of THB 609 million or -10.9% over the same period last year. This decrease was driven by the high base effect during the same period last year when we benefitted from the customer stocking up behavior due to the first COVID wave. When compared to previous quarter, the sales were relatively stable and decreased only slight THB 17 million or -0.4% from 4Q21.

Consumer Supply Chain's gross profit margin increased to 20.2% in 1Q21 from 19.6% in 1Q20 driven by improvements at most of the segments, whilst EBIT margin increased to 8.9% in 1Q21 from 8.5% in 1Q20 due to increasing gross profit margin, and various cost control initiatives.

Net profit attributable to the equity holders of the Company in 1Q21 reached THB 339 million, a slight decrease of THB 9 million or -2.6% over the same period last year. The net profit decrease was due to decreasing sales. When compared to previous quarter, the net profit attributable to the equity holders of the Company increased by THB 119 million or 54.1% from 4Q20, due to the abovementioned reasons.

Foods Group

In 1Q21, Foods Group reported sales of THB 1,318 million, a decrease of -8.3% over the same period last year. When compared with previous quarter, Foods Group sales increased 11.6% from 4Q20. Foods Group contributed approximately 27.0% of total Consumer Supply Chain sales for the quarter. Net profit attributable to the equity holders of the Company in 1Q21 increased over the same period last year mainly driven by lower SG&A expenses, and from the previous quarter due to increased sales and improving profitability.

Non-Foods Group

In 1Q21, Non-Foods Group reported sales of THB 1,554 million, a decrease of -19.2% over the same period last year, driven by high base from the same period last year as we benefitted from customer stocking up behavior relating to the first COVID wave, and a decrease of -5.3% from the 4Q20. Non-Foods Group contributed approximately 31.0% of total Consumer Supply Chain sales during the quarter. Net profit attributable to the equity holders of the Company in 1Q21 decreased over the same period last year mainly driven by the sales decline. When compared to the previous quarter, the net profit attributable to the equity holders of the company increased due to the improved profitability.

International Trading

In 1Q21, International Trading reported sales of THB 1,107 million, a decrease of -9.4% over the same period last year due to high base arising from the consumer stocking behavior during the same period last year. When compared with previous quarter the sales decreased by -8.3% from the 4Q20. International Trading contributed approximately 22.0% of total Consumer Supply Chain sales for the

quarter. Net profit attributable to the equity holders of the Company in 1Q21 decreased over the same period last year, driven by lower sales, but increased from the previous quarter due to improved profitability.

Healthcare & Technical Supply Chain

Unit: Million THB	1Q21	4Q20	1Q20	%QoQ	%YoY
Sales	1,926	2,158	1,881	-10.8%	+2.4%
Net profit	233	182	177	+28.0%	+31.6%
<i>% Recurring net profit margin</i>	<i>12.1%</i>	<i>8.4%</i>	<i>9.4%</i>	<i>+363 bps</i>	<i>+265 bps</i>

Performance in 1Q21

In 1Q21, Healthcare and Technical Supply Chain reported sales of THB 1,926 million, an increase of THB 45 million or 2.4% over the same period last year, driven by increasing sales at the Technical Supply Chain. When compared to previous quarter, the sales declined by THB 233 million or -10.8% from 4Q20, due to lower sales at the Healthcare Supply Chain.

Healthcare and Technical Supply Chain's gross profit margin decreased to 32.3% in 1Q21 from 33.4% in 1Q20 mainly due to the decrease at the Technical Supply Chain, whilst EBIT margin increased to 16.0% in 1Q21 from 13.3% in 1Q20, mainly driven by improvement at the Healthcare Supply Chain due to improved sales mix and good cost control.

Net profit attributable to the equity holders of the Company in 1Q21 reached THB 233 million, an increase of THB 55 million or 31.6% over the same period last year mainly due to the increasing sales, and good cost control. When compared to previous quarter, the net profit attributable to the equity holders of the Company increased by THB 50 million or 28.0% from 4Q20, due to the abovementioned reasons.

Modern Retail Supply Chain

Unit: Million THB	1Q21	4Q20	1Q20	%QoQ	%YoY
Sales	22,022	23,505	26,970	-6.3%	-18.3%
Total Revenues	24,966	26,916	30,564	-7.2%	-18.3%
Net profit	736	1,253	1,260	-41.3%	-41.6%
<i>% Recurring net profit margin</i>	<i>3.3%</i>	<i>5.3%</i>	<i>4.7%</i>	<i>-199 bps</i>	<i>-133 bps</i>

Performance in 1Q21

In 1Q21, Modern Retail Supply Chain reported total revenue of THB 24,966 million, a decrease of THB 5,598 million or -18.3% over the same period last year. This was driven by a retail sales declining to THB 22,022 million, a decrease of THB 4,947 million or -18.3% from the same period last year, driven by negative same-store-sales growth of -21.6% year-on-year for the quarter (excluding B2B sales same-store-sales growth for the quarter was -26.7%), adversely impacted by generally soft consumption environment due to COVID, the lack of foreign tourist arrivals significantly impacting our sales at the tourist destinations, negative impact from the Government stimulus schemes targeting traditional trade, and high comparison base from previous year as we benefitted from the stocking up behavior during 1Q20. Meanwhile the other income decreased to THB 2,944 million, a decrease of THB 650 million or -18.1% over the same period last year, also driven by COVID related impact to rental income as we offered discounts to impacted tenants and waived the rents from the tenants forced to

close their stores due to authorities announcements in certain areas to support them during the difficult time. The second COVID wave also negatively impacted our occupancy rate which declined to 88.9% for the full quarter. When compared to previous quarter, the total revenues declined by THB 1,950 million or -7.2% from 4Q20. This was driven by lower retail sales which declined by THB 1,484 million or -6.3% over the previous quarter due to the seasonality impact. Whilst the other income declined by THB 467 million or -13.7% over previous quarter driven by the negative impact from the COVID situation to the occupancy rate and increased rental discount level.

Modern Retail Supply Chain's gross profit margin decreased slightly to 15.8% in 1Q21 from 16.0% in 1Q20, mainly due to increased B2B sales contribution. EBIT margin decreased to 4.7% in 1Q21 from 6.2% in 1Q20, mainly due to lower gross profit margin and the decreasing rental income driven by the abovementioned reasons.

Net profit attributable to the equity holders of the Company in 1Q21 reached THB 736 million, a decrease of THB 524 million or -41.6% over the same period last year driven by abovementioned reasons. When compared to previous quarter, the net profit attributable to the equity holders of the Company decreased by THB 517 million or -41.3% from 4Q21, driven by the seasonality and the negative impact from COVID situation.

Modern Retail Supply Chain continued its store expansion during 1Q21, with opening of 18 Mini Big C stores. These openings together with the closure of 2 Mini Big C stores during the quarter, led to our store network to reach 152 large format stores (Big C Supercenter and Big C Extra), 61 supermarkets (Big C Market, Big C Food Place, and Big C Depot), 1,231 Mini Big C (including 61 franchise stores), and 144 Pure drugstores at the end of March 2021.

Dividend Payment

On 22nd April 2021, the Company's Annual General Meeting of Shareholders resolved to approve the dividend payment based on the Company's operations for the year 2020, at the rate of THB 0.78 per share. As the Company has already paid the interim dividend of Baht 0.18 per share on 13 September 2020, the remaining year-end dividend of THB 0.60 per share will be paid on 21 May 2021.

Yours faithfully,

Berli Jucker Public Company Limited

Thirasakdi Nathikanchanalab
Director

Aswin Techajareonvikul
Director