

-Translations-

At ICHI- 013/2023

November 8th, 2023

Subject: Report on operating results of Quarter 3/2023 and nine-month periods, ended September 30th, 2023.
To: President,
The Stock Exchange of Thailand

Ichitan Group Public Company Limited (“the Company”) reported on operating results of Quarter 3/2023 and nine-month periods, ended September 30th, 2023 as following;

Revenue

In Quarter 3/2023, the Company had sales revenue of 2,076.6 million baht, which increased by 412.4 million baht or equivalent to 24.8% from the same period of previous year that earned sales revenue of 1,664.2 million baht, resulting from domestic sales increased by 26.9% from the growth of the ready-to-drink tea market segment and new products, export sales increased by 4.5% due to the economic recovery of trading partner countries and revenue from contract manufacturing (OEM).

For the period of 9M/2023 and 9M/2022, the Company had earned sales revenue of 5,938.9 million baht and 4,723.0 million baht respectively, which increased by 1,215.9 million baht or equivalent to 25.7%, with domestic sales increasing 27.5% from the growth of the ready-to-drink tea market segment and new products, for the export sales increased by 10.2% due to the economic recovery of trading partner countries and revenue from contract manufacturing (OEM) in the 2nd and 3rd quarter of 2023.

Cost of sales

In Quarter 3/2023, the Company had cost of sales was 1,554.0 million baht or equivalent to the cost of sales to revenue of 74.8%. The cost of sales in the same period of the previous year was 1,338.9 million baht or 80.5% of sales, the cost of sales ratio decreased due to the production of many more products according to market demand (Economy of Scale), and the adjustment of the sugar reduction formula in some groups of products and the price of some raw materials decreased.

For the period of 9M/2023 and 9M/2022, the Company had cost of sales of 4,569.6 million baht and 3,894.2 million baht respectively, which accounted for 76.9% and 82.5% of sales revenue, the cost of sales ratio decreased from the producing much more products according to market demand (Economy of Scale), the adjustment of the sugar reduction formula in some groups of products and the price of some raw materials decreased.

Distribution Costs

The Company had distribution costs in Quarter 3/2023 and Quarter 3/2022, were accounted for 83.3 million baht and 73.4 million baht respectively, or equivalent to 4.0% which was slightly decreased from the same quarter of previous year that was 4.4%.

For the period of 9M/2023 and 9M/2022, the Company had distribution costs of 278.1 million baht and 205.8 million baht or equivalent to 4.7% and 4.4% of sales revenue respectively, the distribution costs has increased from the use of marketing budget for new products in the first half of this year.

Administrative Expenses

The Company had administrative expenses in Quarter 3/2023 and Quarter 3/2022 were 35.8 million baht and 41.7 million baht respectively, and the ratio of administrative expense to sales were 1.7% and 2.5% respectively, which the administrative expense ratio was slightly decreased.

For the period of 9M/2023 and 9M/2022, the Company had administrative expenses of 119.0 million baht and 124.4 million baht, or 2.0% and 2.6% of sales revenue respectively, which administrative expense ratio was slightly decreased.

Finance Costs

In Q3/2023 and Q3/2022, the Company had finance costs equal to 0.5 million baht and 0.3 million baht respectively. Finance cost has changed slightly from the same period of previous year.

For the period of 9M/2023 and 9M/2022, the Company had finance costs of 1.4 million baht and 1.3 million baht respectively, the finance costs slightly changed.

Share of profit of investment in joint venture

The Company had share of profit of investment in joint venture in Quarter 3/2023 and Quarter 3/2022 were 1.6 million baht and 21.0 million baht respectively. The share of profit from investment had decreased by 19.4 million baht, due to the use of marketing communications budget and intense price competition in Indonesia.

In the first half of year 2023 and year 2022, the Company had share of profit at 12.1 million baht and 65.6 million baht respectively, the share of profit had been decreased by 53.5 million baht, due to the use of marketing communications budget since Quarter 1/2023 and intense price competition in Indonesia.

Net profit

The Company's net profit in Quarter 3/2023 and Quarter 3/2022 earned 328.0 million baht and 192.2 million baht, or accounted for the net profit margin to sales revenues of 15.8% and 11.5% respectively. As a result, this period's net profit increased by 135.8 million baht or equal to 70.7%. For the period of 9M/2023 and 9M/2022, the Company earned net profit of 805.3 million baht or equivalent to net profit margin of 13.6%, as compared to the same period of previous year that earned 448.7 million baht or equivalent to net profit margin to sales revenues of 9.5%. As a result, this period's net profit increased by 356.6 million baht or equivalent to 79.5%

Please be informed accordingly.

Yours Sincerely,



(Mrs.Eng Passakornnatee)

Senior Executive Vice President

Ichitan Group PLC.