

Subject: Performance discussion and analysis for the 4th Quarter of 2023 and for year 2023

To: Director and manager of the Stock Exchange of Thailand

Financial Performance Summary – 4th Quarter and year 2023

Beauty Community Public Co., Ltd. is pleased to announce its financial and operating results for 4th Quarter of 2023 and year 2023 to compare with the operating results in the 4th Quarter and the year 2022 as follows:

- Total Revenue in 4th Quarter 2023 was THB 98.58 million, a decreased of 4.40% and the year 2023 was THB 440.97 million, a increased of 20.66%.
- Gross Profit in 4th Quarter 2023 was THB 37.49 million, a decreased of 22.18% and the year 2023 was THB 211.97 million, a increased of 21.45%.
- Selling expenses in 4th Quarter 2023 was THB 36.08 million, a decreased of 17.56% and the year 2023 was THB 153.86 million, a decreased of 9.64%.
- Administrative expenses in 4th Quarter 2023 was THB 21.10 million, a increased of 2.54% and the year 2023 was THB 94.43 million, a decreased of 1.15%.
- Net Profit (loss) in 4th Quarter 2023 was THB (25.52) million, a increased of 107.23% and the year 2023 was THB (45.67) million, a decreased of 32.51%.

Million Baht	Q4				YoY		Q3		QoQ		Year to Date (YTD)				YoY	
	2023	%	2022	%	+/-	%	2023	%	+/-	%	2023	%	2022	%	+/-	%
Revenue from sales	96.27	97.65%	100.89	97.84%	(4.62)	(4.58%)	102.54	98.72%	(6.27)	(6.12%)	433.64	98.34%	352.38	96.42%	81.26	23.06%
Cost of sales	58.77	59.62%	52.71	51.12%	6.06	11.50%	47.63	45.86%	11.14	23.39%	221.67	50.27%	177.85	48.66%	43.82	24.64%
Gross profit (GP)	37.49	38.95%	48.18	47.75%	(10.68)	(22.18%)	54.91	53.55%	(17.42)	(31.72%)	211.97	48.88%	174.53	49.53%	37.44	21.45%
Other Income	2.32	2.35%	2.23	2.16%	0.08	3.77%	1.33	1.28%	0.99	74.42%	7.33	1.66%	13.08	3.58%	(5.75)	(43.98%)
Total Revenue	98.58	100.00%	103.12	100.00%	(4.54)	(4.40%)	103.87	100.00%	(5.29)	(5.09%)	440.97	100.00%	365.46	100.00%	75.51	20.66%
Selling expenses	36.08	36.59%	43.76	42.43%	(7.68)	(17.56%)	38.99	37.54%	(2.91)	(7.47%)	153.86	34.89%	170.27	46.59%	(16.41)	(9.64%)
Administrative expenses	21.10	21.40%	20.57	19.95%	0.52	2.54%	25.86	24.89%	(4.76)	(18.41%)	94.43	21.41%	95.53	26.14%	(1.10)	(1.15%)
Profit before interest & tax (EBIT)	(17.36)	(17.61%)	(13.92)	(13.50%)	(3.44)	(24.72%)	(8.61)	(8.29%)	(8.75)	(101.73%)	(28.99)	(6.57%)	(78.20)	(21.40%)	49.20	62.92%
Finance costs	1.99	2.02%	1.47	1.42%	0.53	35.82%	1.77	1.71%	0.22	12.23%	7.55	1.71%	6.09	1.67%	1.46	23.95%
Income tax	6.17	6.26%	(3.07)	(2.98%)	9.24	301.02%	0.77	0.74%	5.40	699.13%	9.13	2.07%	(16.61)	(4.55%)	25.74	154.95%
Profit for the period	(25.52)	(25.89%)	(12.32)	(11.94%)	(13.21)	(107.23%)	(11.15)	(10.74%)	(14.37)	(128.85%)	(45.67)	(10.36%)	(67.68)	(18.52%)	22.01	32.51%
Other comprehensive income	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total comprehensive income for the period (net)	(25.52)	(25.89%)	(12.32)	(11.94%)	(13.21)	(107.23%)	(11.15)	(10.74%)	(14.37)	(128.85%)	(45.67)	(10.36%)	(67.68)	(18.52%)	22.01	32.51%
EBITDA	(12.37)	(12.55%)	(8.34)	(8.09%)	(4.03)	(48.34%)	(3.57)	(3.44%)	(8.80)	(246.48%)	(8.74)	(1.98%)	(56.15)	(15.36%)	47.40	84.43%

Note : 1. % GP margin calculated to sales

Total Revenue

Total revenues for the 4th Quarter of 2023 were THB 98.58 million decreased by 4.40% from the same period last year (YoY) and decreased by 5.09 % compared to 3rd Quarter 2023 (QoQ). The year 2023 was THB 440.97 million increased by 20.66 % from the same period last year (YoY). Revenue structure came mainly from the Retail shop 47.16%, Oversea 32.88%, E-commerce 8.83%, Modern Trade 8.24%, General Trade 1.23% and Other revenue 1.66% (Note: Oversea shops are operated by our partners which have been sold in a wholesale commercial conditions). The same store sales growth (SSSG) for the year 2023 declined by 21.03%.

Gross Profit

Gross Profit for the 4th Quarter 2023 was THB 37.49 million which are decreased 22.18% from the same period last year (YoY), decreased by 31.72% compared to 3rd Quarter 2023 (QoQ). The year 2023 was THB 211.97 million increased by 21.45% from the same period last year (YoY).

Gross profit margin 4th Quarter 2023 were 38.95%, decreased from the same period last year (47.75%) and decreased from the 3rd Quarter 2023 (53.55%). The year 2023 was 48.88%, decreased from the same period last year (49.53%)

Selling expenses

Selling expenses for 4th Quarter 2023 was THB 36.08 million, decreased by 17.56% from the same period last year (YoY), and decreased by 7.47% compared to 3rd Quarter 2023 (QoQ). The year 2023 was THB 153.86 million decreased by 9.64% from the same period last year (YoY).

Administrative expenses

Administrative expenses 4th Quarter 2023 was THB 21.10 million increased by 2.54% from the same period last year (YoY), and decreased by 18.41% compared to 3rd Quarter 2023 (QoQ). The year 2023 was THB 94.43 million decreased by 1.15% from the same period last year (YoY).

Net Profit (loss)

Net profit (loss) for 4th Quarter 2023 was THB (25.52) million increased by 107.23% from the same period last year (YoY), and increased by 128.85% compared to 3rd Quarter 2023 (QoQ). The year 2023 was THB (45.67) million decreased by 32.51% from the same period last year (YoY).

Statement of Financial Position

Total assets as at December 31, 2023 were THB 839.58 million decreased THB 57.79 million or 6.44% from 31 December 2022 and Cash and cash equivalents were THB 67.07 million, temporary investments were THB 40 million (Temporary investments consist of short-term deposit with financial institution due over three months but not over 1 year and without withdrawal restrictions), Other non-current financial assets were THB 220 million (Long-term Investment is the deposit with financial institution maturing within a period of more than 1 year and without withdrawal restrictions), account receivables were THB 32.72 million without doubtful debt, inventory were THB 126.17 million, property, investment properties were THB 15.38 million, plant and equipment were THB 115.43 million.

Total liabilities were THB 179.32 million decreased THB 12.12 million or 6.33% from 31 December 2022, liabilities mainly came from liabilities under leases THB 105.76 million (revised according to TFRS16 standards regarding leases) including current portion of leases liabilities THB 33.31 million, trade account payable THB 31.37 million, accrued expenses THB 12.15 million. Total shareholders' equity was THB 660.26 million decreased THB 45.67 million or 6.47% from December 31, 2022.

Statement of Cash Flows

For the year end of December 31, 2023, the company had net cash inflows by (used in) operating activities of THB 0.28 million, net cash inflows investing activities THB 54.67 million. Then cash and cash equivalents as at the end of period of THB 87.07 million.

Financial Ratio

Financial Ratio	31/12/2566	31/12/2022	31/12/2021	31/12/2020	31/12/2019	31/12/2018
Current ratio	5.36	3.12	5.12	4.30	4.38	3.49
Finished goods days	135	174	204	217	168	116
Total inventory days	196	257	280	287	215	150
Return on equity	-6.69%	-9.15%	-9.96%	-10.90%	19.12%	64.78%
Return on assets	-5.26%	-7.23%	-7.86%	-8.75%	15.04%	48.23%
Debt to equity	0.27	0.27	0.26	0.28	0.22	0.31

Your faithfully,

Beauty Community Public Company Limited

(Miss Netnapha Saelim)

Finance and Accounting Director