



## Berli Jucker Public Company Limited

May 14<sup>th</sup>, 2024

The President

The Stock Exchange of Thailand

Re: Management Discussion and Analysis on 1Q24 performance

### Financial performance of Berli Jucker Public Company Limited for 1Q24

#### Revenues

BJC's consolidated total revenue for 1Q24 reached THB 41,961 million, representing an increase of THB 1,157 million or 2.8% over the same period last year. This increase was mainly due to (1) increased consolidated sales and service revenue by THB 1,113 million or 3.0% over the same period last year, and (2) increased other income by THB 6 million mainly from Consumer Supply Chain

#### Expenses

BJC's consolidated total expenses for 1Q24 amounted to THB 40,241 million, an increase of THB 1,035 million or 2.6% over the same period last year. This increase was mainly due to (1) increasing cost of goods sold expenses due to growing sales, (2) increasing SG&A expenses from store expansion of Modern Retail Supply Chain, and (3) increasing interest expenses due to higher interest rates.

#### Earnings before Interest and Tax

BJC's earnings before interest and tax for 1Q24 amounted to THB 3,103 million, an increase of THB 291 million or 10.3% over the same period last year from growing sales and improved gross profit margin from Packaging, Consumer and Modern Retail Supply Chain. In this quarter, we managed to secure key raw materials and energy price i.e. natural gas, soda ash, paper pulp at lower costs than those of same period last year. Additionally, we were able to bring cost down through several cost efficiency projects such as volume purchase through synergy between factories, waste reduction, and solar rooftop installation, resulting in better Profitability

#### Net Profit Attributable to Equity Holders

BJC's consolidated net profit attributable to the equity holders of the Company for 1Q24 reached THB 428 million, a decrease of THB 826 million or 65.9% from the same period last year, mainly by increased interest expense, and higher tax in Apr 2024, a subsidiary of the Company had concluded tax refundable amount for the year 2019-2023, recognizing income tax expense THB 586 million. Together with other related expenses, total non-recurring one-time expenses equal to THB 659 million.

Hence, our normalized net profit attributable to the equity holders reached THB 1,087 million, decreased by THB 167 million or 13.3% from the same period last year, mainly due to increased interest expense.



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## Berli Jucker Public Company Limited

### Key highlights of 1Q24

Unit: Million THB	1Q24	4Q23	1Q23	%QoQ	%YoY
Packaging Supply Chain Sales	6,341	6,650	6,215	(4.7)	2.0
Consumer Supply Chain Sales	5,535	5,346	5,328	3.5	3.9
Healthcare and Technical Supply Chain Sales	2,118	2,158	2,129	(1.8)	(0.5)
Modern Retail Supply Chain Sales	25,040	26,105	24,256	(4.1)	3.2
Others	(401)	(409)	(408)	2.6	1.9
<b>Total Sales &amp; Services</b>	<b>38,633</b>	<b>39,850</b>	<b>37,520</b>	<b>(3.1)</b>	<b>3.0</b>
Other incomes	3,245	3,412	3,239	(4.9)	0.2
Gain from foreign exchange	83	-	45	100.0	82.4
<b>Total revenues</b>	<b>41,961</b>	<b>43,262</b>	<b>40,804</b>	<b>(3.0)</b>	<b>2.8</b>
Cost of goods sold	30,923	31,804	30,251	(2.8)	2.2
<b>Gross profit</b>	<b>7,710</b>	<b>8,046</b>	<b>7,269</b>	<b>(4.2)</b>	<b>6.1</b>
Selling expenses	6,584	6,639	6,555	(0.8)	0.5
Administrative expenses	1,306	1,404	1,161	(7.0)	12.5
Loss from foreign exchange	-	(35)	-	100.0	-
Share of profits (loss) from investments	(45)	(59)	(25)	24.1	(75.3)
<b>Earnings before interest and tax</b>	<b>3,103</b>	<b>3,321</b>	<b>2,812</b>	<b>(6.6)</b>	<b>10.3</b>
Interest expense	1,427	1,446	1,239	(1.4)	15.1
<b>Earnings before tax</b>	<b>1,676</b>	<b>1,875</b>	<b>1,573</b>	<b>(10.6)</b>	<b>6.5</b>
Tax	1,027	(40)	131	2,671.9	685.6
<b>Net profit</b>	<b>649</b>	<b>1,915</b>	<b>1,442</b>	<b>(66.1)</b>	<b>(55.0)</b>
Attributable to:					
Minority interests	221	277	188	(20.2)	17.4
<b>Equity holders of the Company</b>	<b>428</b>	<b>1,638</b>	<b>1,254</b>	<b>(73.9)</b>	<b>(65.9)</b>
One-time item after tax:					
Adjustments in respect of prior years income tax and other related expenses	659	-	-	-	100.0
<b>Equity holders of the Company (Excluded one-time item)</b>	<b>1,087</b>	<b>1,638</b>	<b>1,254</b>	<b>(33.6)</b>	<b>(13.3)</b>

Key Financial Ratios	1Q24	4Q23	1Q23	QoQ	YoY
Gross profit as % to sales <sup>1</sup>	20.0%	20.2%	19.4%	(23) bps	58 bps
SG&A as % to sales <sup>1</sup>	20.4%	20.2%	20.6%	24 bps	(14) bps
EBIT margin as % to sales <sup>1</sup>	8.0%	8.3%	7.5%	(30) bps	53 bps
Normalized Net Profit margin (attributable to equity holders of the Company) <sup>2</sup> as % to sales <sup>1</sup>	2.8%	4.1%	3.3%	(130) bps	(53) bps
Net IBD to equity (times) <sup>3</sup>	1.1	1.1	1.2	(1) bps	(3) bps



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Note: <sup>1</sup>As percentage to sales excluding other income

<sup>2</sup>Excluding Adjustments in respect of prior years income tax and other related expenses THB 659 million

<sup>3</sup>Excluding lease liability

### Financial performance summary by supply chain

#### Packaging Supply Chain

Unit: Million THB	1Q24	4Q23	1Q23	%QoQ	%YoY
Sales	6,341	6,650	6,215	(4.7)	2.0
Net profit	485	564	477	(14.0)	1.7
% Net profit margin	7.6%	8.5%	7.7%	(83) bps	(3) bps

#### Performance in 1Q24

In 1Q24, Packaging Supply Chain reported sales of THB 6,341 million, an increase of THB 126 million or 2.0% over the same period last year from increasing Thailand and Vietnam sales from Aluminum Can packaging.

Packaging Supply Chain's gross profit margin in 1Q24 reached 20.9%, an increase of 229 bps from decreasing key raw material and energy costs such as soda ash, natural gas costs, and aluminum sheet. Packaging Supply Chain's EBIT margin in 1Q24 reached 13.6%, an increase of 65 bps, due to higher gross profit margin.

Net profit attributable to the equity holders of the Company in 1Q24 reached THB 485 million, an increase of THB 8 million or 1.7% over the same period last year from the abovementioned reasons.

#### Glass Packaging Business

In 1Q24, Glass packaging business reported sales of THB 3,107 million, a decrease of 8.9% over the same period last year, from lower sales of beverage categories while export and 3<sup>rd</sup> party sales showed continuing growth. Glass packaging contributed approximately 49% of total Packaging Supply Chain sales for the quarter. Net profit attributable to the equity holders of the Company in 1Q24 decreased over the same period last year due to decreasing sales and increasing of loss from joint venture business.

#### Aluminum Can Business

In 1Q24, Aluminum can business reported sales of THB 3,234 million, an increase of 15.3% over the same period last year from across Thailand and Vietnam sales in beverage and beer categories. Aluminum can business contributed approximately 51% of total Packaging Supply Chain sales for the quarter. Net profit attributable to the equity holders of the Company in 1Q24 increased over the same period last year due to higher sales.



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### Consumer Supply Chain

Unit: Million THB	1Q24	4Q23	1Q23	%QoQ	%YoY
Sales	5,535	5,346	5,328	3.5	3.9
Net profit	330	381	278	(13.4)	18.7
% Net profit margin	6.0%	7.1%	5.2%	(116) bps	75 bps

### Performance in 1Q24

In 1Q24, Consumer Supply Chain reported sales of THB 5,535 million, an increase of THB 207 million or 3.9% over the same period last year, from increasing sales in Non-Foods and International business segments.

Consumer Supply Chain's gross profit margin in 1Q24 reached 19.3%, an increase of 147 bps, mainly from paper products. Therefore, EBIT margin in 1Q24 also reached 7.6%, an increase of 98 bps.

Net profit attributable to the equity holders of the Company in 1Q24 reached THB 330 million, an increase of THB 52 million or 18.7% over the same period last year from abovementioned reason.

### Foods Group

In 1Q24, Foods Group reported sales of THB 1,478 million, a decrease of 6.9% over the same period last year from lower sales of snack group. Foods Group contributed approximately 27% of total Consumer Supply Chain sales for this quarter. Net profit attributable to the equity holders of the Company in 1Q24 decreased over the same period last year.

### Non-Foods Group

In 1Q24, Non-Foods Group reported sales of THB 2,311 million, an increase of 3.1% over the same period last year from increasing sales in personal care group. Non-Foods Group contributed approximately 42% of total Consumer Supply Chain sales this quarter. Net profit attributable to the equity holders of the Company in 1Q24 delivered solid growth over the same period last year, thanks to lower key raw material costs, including pulp and palm oil.

### International Business

In 1Q24, International Business reported sales of THB 1,618 million, an increase of 18.4% over the same period last year from increasing sales of new products launched, new sale territory in Vietnam. International Business contributed approximately 29% of total Consumer Supply Chain sales this quarter. Net profit attributable to the equity holders of the Company in 1Q24 delivered strong growth over the same period last year from increasing sales mix from higher margin's products.





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### Healthcare & Technical Supply Chain

Unit: Million THB	1Q24	4Q23	1Q23	%QoQ	%YoY
Sales	2,118	2,158	2,129	(1.8)	(0.5)
Net profit	188	151	194	24.9	(3.0)
% Net profit margin	8.9%	7.0%	9.1%	191 bps	(24) bps

#### Performance in 1Q24

In 1Q24, Healthcare and Technical Supply Chain reported sales of THB 2,118 million, a decrease of THB 11 million or 0.5% from same period last year. Delay government budget affected the sales of Medical Division while success of Flu vaccine tender and diabetes medicine drove sales of Pharmaceutical Division.

Healthcare and Technical Supply Chain's gross profit margin in 1Q24 reached 31.0%, a decrease of 46 bps from higher mix of lower gross margin products of Healthcare business. Technical Supply Chain's gross profit margin improved from Specialties and Graphic divisions. Whilst EBIT margin in 1Q24 reached 12.6%, an increase of 7 bps.

Net profit attributable to the equity holders of the Company in 1Q24 reached THB 188 million, a decrease of THB 6 million or 3.0% from the same period last year.

### Modern Retail Supply Chain

Unit: Million THB	1Q24	4Q23	1Q23	%QoQ	%YoY
Sales	25,040	26,105	24,256	(4.1)	3.2
Total Revenues	28,258	29,373	27,433	(3.8)	3.0
Net profit	1,042	1,096	961	(4.9)	8.4
% Net profit margin	4.2%	4.2%	4.0%	(4) bps	20 bps

#### Performance in 1Q24

In 1Q24, Modern Retail Supply Chain reported total revenue of THB 28,258 million, an increase of THB 825 million or 3.0% over the same period last year. Retail sales reached THB 25,040 million, an increase of THB 784 million or 3.2% from the same period last year from the new store openings. Same-store-sales growth improved year-on-year by 0.1% excluding B2B. Meanwhile, other income reached THB 3,168 million, a slight decrease of THB 8 million or 0.3% over the same period last year from lower rental and service income mainly due to lower utility income from tenants.

Modern Retail Supply Chain's gross profit margin in 1Q24 reached 18.3% an increase of 10 bps from lower logistic costs, while EBIT margin in 1Q24 reached 6.1% an increase of 73 bps from increasing gross profit margin, lower utilities expense and excellent cost control.

Net profit attributable to the equity holders of the Company in 1Q24 reached THB 1,042 million, an increase of THB 81 million or 8.4% over the same period last year from the abovementioned reasons.





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Modern Retail Supply Chain continued its store expansion during 1Q24 by opening 21 Big C Mini stores in Thailand, 2 Asia Books stores, and 1 Wawee coffee shop. These openings together with the closure of 1 Big C Mini store in Cambodia during the quarter led to our store network to reach 156 hypermarket stores, including 1 Big C Supercenter store in Cambodia, 50 supermarket stores (35 Big C Market; 13 Big C Foodplace supermarkets in Thailand and 2 in Cambodia), 25 Big C Hong Kong stores (including 1 pop-up store), 1,587 Big C Mini stores (including 57 franchise stores in Thailand, and 18 Big C Mini in Cambodia), 11 Big C Depot, 6 Big C Food Services stores, 8 Open-air markets, 143 Pure drugstores, 47 Wawee Coffee (excluding Wawee Coffee corners), and 66 Asia Book stores at the end of March 2024. Our Donjai store network has also continued growing and reached 7,001 stores at the end March 2024. During 1Q24, our omnichannel platform development continued as we extended the on-demand service to hypermarket and supermarket stores offering 1 hour delivery options for online customers, and also migrated from radius service areas to polygon service areas in Bangkok area in order to optimize our delivery costs. To improve our cross-border ecommerce operations, we opened a bonded warehouse located in city of Shaoxing in China in February, to shorten the delivery times and to reduce last mile delivery costs.

Please be informed.

Yours faithfully,

Berli Jucker Public Company Limited

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