



MANAGEMENT DISCUSSION AND ANALYSIS 9M2024

MEGA Lifesciences Public Company Limited



BUSINESS OVERVIEW

Mega Lifesciences PCL (MEGA) is a leading participant in the health and wellness industry in developing countries. Our core business may be categorized into below segments:

Mega Lifesciences PCL



1. MEGA WE CARE™ BRANDED PRODUCTS BUSINESS:

We develop, manufacture, market and sell our own brand of market leading nutraceutical products, prescription pharmaceutical products and OTC products which are mostly sold in developing countries with market leading presence in Southeast Asia and growing reach in Sub-Saharan Africa. Our branded products include products where we own perpetual license to third party trademarks.



2. MAXXCARE™ DISTRIBUTION BUSINESS:

We market, sell and distribute various branded prescription pharmaceutical products, OTC and consumer products. We operate our Maxxcare™ distribution business in three countries, namely, Myanmar, Vietnam and Cambodia. Our clients for this business segment include leading domestic and international pharmaceutical and consumer goods companies. This segment also includes business arising from markets other than aforementioned countries where MEGA has distribution rights for third party products.

ANALYSIS OF FINANCIAL STATUS AND PERFORMANCE 9M24



CONSOLIDATED INCOME STATEMENT SUMMARY

Overall Operating Revenue	THB 11,687 mn ^{9M24} Overall operating revenue for 9M24 flat YoY. - Mega We Care™ pharmaceutical and OTC business continued healthy growth; - Decline in Maxxcare™ consumer business in Myanmar, as guided	THB 4,001 mn ^{3Q24} Overall operating revenue for 3Q24 up by 5.2% - Mega We Care™ pharmaceutical and OTC business continued healthy growth; - Decline in Maxxcare™ consumer business in Myanmar, as guided
Gross Profit	THB 5,799 mn ^{9M24} Gross profit for 9M24 improved to 49.6% (9M23 45.0%) mainly due to Segmental mix.	THB 2,135 mn ^{3Q24} Gross profit for 3Q24 improved mainly due to Segmental mix.
SG&A Expenses	THB 3,306 mn ^{9M24} SG&A expenses were higher for 9M24 at 28.3% (9M23 26.8%) increased due to planned spending. We expect SG&A expense to taper down by year end.	THB 1,100 mn ^{3Q24} SG&A expenses for 3Q24 at 27.5% (3Q23 26.8%) increased due to planned spending.
Adjusted Net Profit¹	THB 1,595 mn ^{9M24} Adjusted net profit for 9M24 decline by 6.5% YoY, mainly on account of increased planned SG&A expenses. We expect SG&A expenses to taper down by year end	THB 544 mn ^{3Q24} Adjusted net profit for 3Q24 up by 3.5% YoY, mainly arising from growth in branded business
Reported Net Profit	THB 1,373 mn ^{9M24} Reported net profit for 9M24 decline by 9.6% YoY, mainly on account of increased planned SG&A expenses. We expect SG&A expenses to taper down by year end	THB 383 mn ^{3Q24} Reported net profit for 3Q24 decline by 28.5% YoY, mainly arising from forex loss due to appreciation of Thai Baht to USD in 3Q24
Operating Cash Flow	THB 1,600 mn ^{9M24}	Healthy Operating cash flow for 9M24 representing 117% of reported net profits.

¹ Adjusted net profits are net profit adjusted for losses from newly started businesses including startups, net foreign exchange gains or losses and non-recurring material income or expenses or taxes, based on best estimates, to reflect normal business performance. For details, please see summarized income statement on Page 6 of this report.

HIGHLIGHTS



Overall operating revenue for 9M24 was

THB 11,687mn

flat YoY and THB 4,001mn for 3Q24 up by 5.2%

Mega We Care™ revenue was THB 6,103mn for 9M24, up by 3.8% compared to 9M23 and it was THB 2,033mn in 3Q24, up by 6.6% compared with 3Q23.

- Mega We Care™ pharmaceutical and OTC business continued healthy growth;
- Nigeria declined at 27% in 9M24 YoY and by 23% in 3Q24 experiencing slowness in demand due to price increase on account of currency depreciation.

Maxxcare™ distribution business revenue was THB 5,348mn for 9M24, decline by 1.3% YoY and THB 1,865mn in 3Q24, up by 2.2%. Normalizing for the dual currency rate effect in Myanmar², the Maxxcare™ revenue for 9M24 declined by 12.1% and for 3Q24 declined by 20.5%. The decline in Maxxcare™ revenue is fully attributable to decline in consumer business in Myanmar, with limited impact on profitability, as guided.

Overall gross margin for 9M24 improved to

49.6%

compared to 45.0% for 9M23

Overall the improvement in 9M24 gross margin compared to 9M23, was mainly a result of improved Segmental mix and improvement in gross margins of both Mega We Care™ business and Maxxcare™ business. Overall Gross profit for 3Q24 compared to 3Q23 improved due to Segmental mix.

Mega We Care™ business gross margin in 9M24 at 66.0% improved compared to 65.2% of 9M23 and 3Q24 gross margin also improved at 67.7% compared to 65.3% in 3Q23. The gross margins of Mega We Care™ business are influenced by revenue growth, product mix, country mix, and level of output amongst other factors.

Maxxcare™ business gross margin *adjusted* for 9M24 improved at 23.6% compared to gross margin *adjusted* 22.4% for 9M23. Maxxcare™ business gross margin *adjusted* for 3Q24 was 20.5% compared to gross margin *adjusted* 24.0% for 3Q23. Gross margins of Maxxcare™ business are influenced by principal mix amongst other factors.

The reported higher gross margins for 9M24 of 31.5% and 3Q24 of 38.4% was mainly attributable to dual currency rate effect in Myanmar², not materially impacting profitability.



² Based on best estimates, the impact of Dual currency rate effect in Myanmar, is due to difference between bank rate of exchange by Central bank of Myanmar adopted for financial reporting per International Financial Reporting Standards vs Actual transacted market rates, resulting in inflated sales, gross margins, SG&A and forex loss, not materially impacting the overall profitability.

Selling and administrative expenses (SG&A) was

THB 3,306 mn

for 9M24, higher due to planned spending, representing 28.3% of operating revenue compared to 9M23 SG&A expenses which were at 26.8% of the operating revenue. 3Q24 SG&A expenses were THB 1,100 mn representing 27.5% of operating revenue compared to 3Q23 SG&A expenses which were at 26.8% of operating revenue, higher due to planned spending. We expect SG&A expenses to taper down by year end.

Adjusted net profit¹ for 9M24 came in at

THB 1,595 mn

Adjusted net profit for 9M24 declined by 6.5% YoY, mainly on account of increased planned SG&A expenses. We expect SG&A expenses to taper down by year end. Adjusted net profit for 3Q24 up by 3.5% YoY, mainly arising from growth in branded business.

Reported net profit for 9M24 came in at

THB 1,373 mn

Reported net profit for 9M24 declined by 9.6% YoY, mainly on account of increased planned SG&A expenses. We expect SG&A expenses to taper down by year end. Reported net profit for 3Q24 decline by 28.5% YoY, mainly arising from forex loss due to appreciation of Thai Baht to USD in 3Q24



Future Outlook

MEGA remains focused on further cementing its leadership position in Southeast Asia and deepening presence in the Sub-Saharan African countries, driven by market leading brands, healthy pipeline of new products, underlying potential in these regions, strategic tie-ups, partnerships, joint ventures and acquisitions. MEGA has the strategies in place to double its 2019 business by 2025. However, due to the nature of the developing and underdeveloped markets we do business in, growth may not be a straight line up but with occasional impacts that may be caused by economic, political and other factors.

SUMMARIZED INCOME STATEMENT



INCOME STATEMENT

Figures in THBmn	3Q23	2Q24	3Q24	YoY Gr.	9M23	9M24	YoY Gr.
Operating revenue	3,802.9	3,953.8	4,000.7	5.2%	11,523.4	11,687.1	1.4%
Gross profits	1,738.9	1,915.9	2,134.6	22.8%	5,190.0	5,799.1	11.7%
Gross margin (%)	45.7%	48.5%	53.4%		45.0%	49.6%	
Selling and Admin. exp (SGA)	1,020.8	1,139.8	1,099.5	7.7%	3,086.8	3,305.6	7.1%
SGA (% to operating revenue)	26.8%	28.8%	27.5%		26.8%	28.3%	
Reported net profit	535.4	512.8	382.7	(28.5%)	1,519.4	1,373.2	(9.6%)
Net losses from new businesses	11.3	7.8	3.4	(70.0%)	30.4	20.5	(32.6%)
Net foreign exchange loss/(gain)	(37.7)	36.1	157.9	(519.0%)	187.0	201.3	7.7%
Normalizing tax expense	16.5	-	-	(100.0%)	(31.0)	-	(100.0%)
Net profit (Adjusted)	525.5	556.7	544.0	3.5%	1,705.7	1,595.0	(6.5%)

Overall increase in planned SG&A expenses in 9M24 partly offset by improved gross margins resulted in marginal decline in net profits YoY. SG&A expenses are expected to taper down by year end

1. Overall Revenue

Overall operating revenue for 9M24 was

THB 11,687 mn

was flat YoY and THB 4,001mn for 3Q24 up by 5.2%

Mega We Care™ revenue was THB 6,103mn for 9M24, up by 3.8% compared to 9M23 and it was THB 2,033mn in 3Q24, up by 6.6% compared with 3Q23.

- Mega We Care™ pharmaceutical and OTC business continued healthy growth;
- Nigeria declined at 27% in 9M24 YoY and by 23% in 3Q24 experiencing slowness in demand due to price increase on account of currency depreciation.

Maxxcare™ distribution business revenue was THB 5,348mn for 9M24, decline by 1.3% YoY and THB 1,865mn in 3Q24, up by 2.2%. Normalizing for the dual currency rate effect in Myanmar², the Maxxcare™ revenue for 9M24 declined by 12.1% and for 3Q24 declined by 20.5%. The decline in Maxxcare™ revenue is fully attributable to decline in consumer business in Myanmar, with limited impact on profitability, as guided.

Southeast Asia³ and Indochina⁴ contributed 86.8% and 77.7% of overall operating revenues for 9M24.

³ Thailand, Myanmar, Vietnam, Cambodia, Malaysia, Philippines, Indonesia and Singapore.

⁴ Thailand, Myanmar, Vietnam and Cambodia

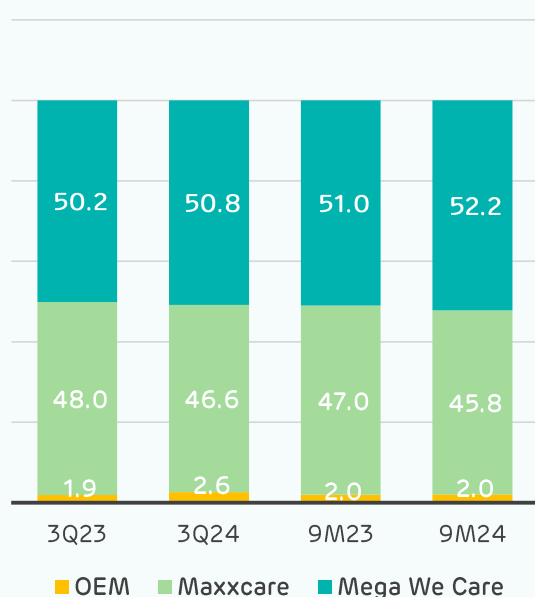
The following table represents the revenue generated under each operating segments.

Revenue* by Business Segment

Figures in THBmn	3Q23	2Q24	3Q24	YoY Gr.	9M23	9M24	YoY Gr.
Mega We Care™	1,907.3	2,139.9	2,032.5	6.6%	5,879.2	6,102.7	3.8%
Maxxcare™	1,824.9	1,745.6	1,864.6	2.2%	5,417.4	5,347.6	(1.3%)
OEM	70.7	68.3	103.6	46.6%	226.8	236.9	4.4%
Total	3,802.9	3,953.8	4,000.7	5.2%	11,523.4	11,687.1	1.4%

*Revenue is net of inter-segment charges & eliminations relating to consolidation

Revenue mix by segments (%)



Proportion of Mega We Care™ business revenue to total operating revenue improved at 52.2% for 9M24 and 50.8% for 3Q24

Maxxcare™ business revenue to total operating revenue was 45.8% for 9M24 and 46.6% of total operating revenue for 3Q24.

Mega We Care™ revenue contribution to overall revenue improved for both 9M24 and 3Q24.



Mega We Care™ Branded Products Revenue

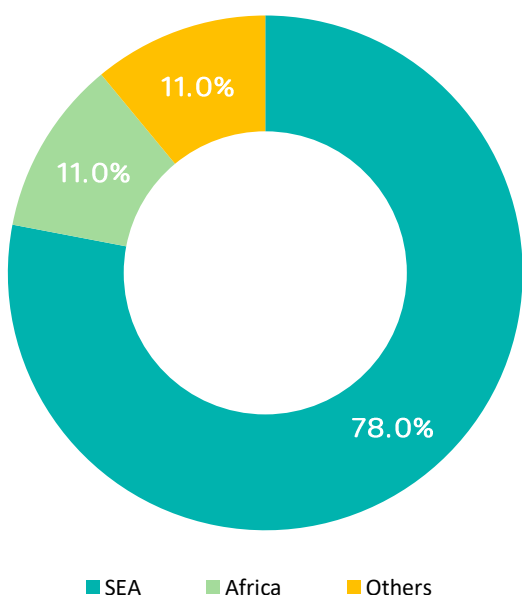
Mega We Care™ revenue was THB 6,103mn for 9M24, up by 3.8% compared to 9M23 and it was THB 2,033mn in 3Q24, up by 6.6% compared with 3Q23 .

- Mega We Care™ pharmaceutical and OTC business continued healthy growth;
- Nigeria declined at 27% in 9M24 YoY and by 23% in 3Q24 experiencing slowness in demand due to price increase on account of currency depreciation.

Mega We Care™ Branded Products Revenue by Geography

Figures in THBmn	3Q23	2Q24	3Q24	YoY Gr.	9M23	9M24	YoY Gr.
Southeast Asia	1,498.3	1,688.5	1,575.6	5.2%	4,599.9	4,793.9	4.2%
Africa	238.4	242.8	219.6	(7.9%)	715.6	657.5	(8.1%)
Others	170.7	208.6	237.3	39.0%	563.7	651.3	15.5%
Total	1,907.3	2,139.9	2,032.5	6.6%	5,879.2	6,102.7	3.8%

Mega We Care™ Branded Products Revenue by Geography (9M24)



Southeast Asia contributed

78%

while Indochina contributed 62% of Mega We Care™ branded products business revenue.

Africa, the second largest region contributed

11%

of the Mega We Care™ branded products business revenue.

Maxxcare™ Distribution Revenue

Maxxcare™ Distribution Business Revenue was

THB 5,348 mn

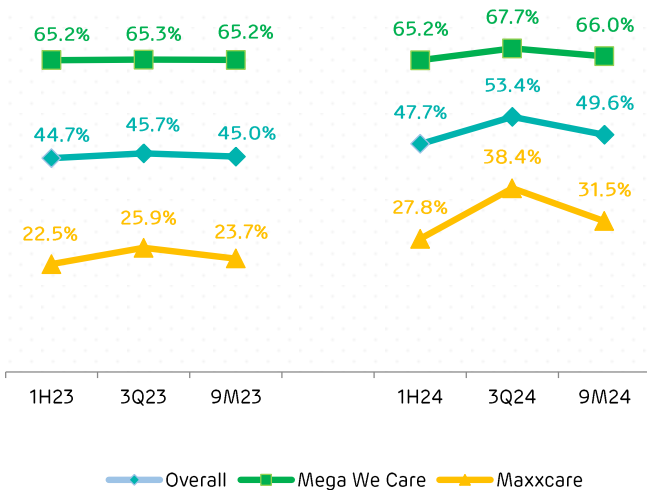
for 9M24, a decline of 1.3% YoY and 3Q24 was THB 1,865 mn, up by 2.2% YoY.

Maxxcare™ distribution business revenue was THB 5,348mn for 9M24, decline by 1.3% YoY and THB 1,865mn in 3Q24, up by 2.2%. Normalizing for the dual currency rate effect in Myanmar², the Maxxcare™ revenue for 9M24 declined by 12.1% and for 3Q24 declined by 20.5%. The decline in Maxxcare™ revenue is fully attributable to decline in consumer business in Myanmar, with limited impact on profitability, as guided.



2. Gross Profits

Segmental gross profit (%) to segmental operating revenue



Overall gross margin for 9M24 was

49.6%

compared to 45.0% for 9M23.

Overall the improvement in 9M24 gross margin compared to 9M23, was mainly a result of improved Segmental mix and improvement in gross margins of both Mega We Care™ business and Maxxcare™ business. Overall Gross profit for 3Q24 compared to 3Q23 improved due to Segmental mix.

Mega We Care™ business gross margin in 9M24 at 66.0% improved compared to 65.2% of 9M23 and 3Q24 gross margin also improved at 67.7% compared to 65.3% in 3Q23. The gross margins of Mega We Care™ business are influenced by revenue growth, product mix, country mix, and level of output amongst other factors.

Maxxcare™ business gross margin *adjusted* for 9M24 improved at 23.6% compared to gross margin *adjusted* 22.4% for 9M23. Maxxcare™ **business** gross margin *adjusted* for 3Q24 was 20.5% compared to gross margin *adjusted* 24.0% for 3Q23. Gross margins of Maxxcare™ business are influenced by principal mix amongst other factors.

The reported higher gross margins for 9M24 of 31.5% and 3Q24 of 38.4% was mainly attributable to dual currency rate effect in Myanmar², not materially impacting profitability.



Mega We Care™ Branded Products Business Gross Profit



Mega We Care™ business gross margins improved at

66.0%

for 9M24 and 67.7% for 3Q24 compared to 65.2% for 9M23 and 65.3% for 3Q23.

Mega We Care™ business gross margin in 9M24 at 66.0% improved compared to 65.2% of 9M23 and 3Q24 gross margin also improved at 67.7% compared to 65.3% in 3Q23. The gross margins of Mega We Care™ business are influenced by revenue growth, product mix, country mix, and level of output amongst other factors.

Maxxcare™ Distribution Business Gross Profit

Maxxcare™ business gross margin was

31.5%

for 9M24 compared to 23.7% for 9M23 and 38.4% for 3Q24 compared to 25.9% for 3Q23.

Maxxcare™ business gross margin *adjusted* for 9M24 improved at 23.6% compared to gross margin *adjusted* 22.4% for 9M23. Maxxcare™ business gross margin *adjusted* for 3Q24 was 20.5% compared to gross margin *adjusted* 24.0% for 3Q23. Gross margins of Maxxcare™ business are influenced by principal mix amongst other factors.

The reported higher gross margins for 9M24 of 31.5% and 3Q24 of 38.4% was mainly attributable to dual currency rate effect in Myanmar², not materially impacting profitability.

OEM Business

OEM business contributed

2.0%

to overall operating revenue for 9M24.

OEM revenue came in at THB 237mn for 9M24 (up 4.4% YoY) and THB 104mn for 3Q24 (up 46.6% YoY). Gross margins came in at 35.6% for 9M24 compared to 31.2% for 9M23 and 41.3% for 3Q24 compared to 27.9% for 3Q23. Gross margins are influenced by customer mix amongst other factors.

3. Consolidated Selling and Administration Expenses (SG&A)

Selling and administrative expenses (SG&A) was

THB 3,306 mn

for 9M24, higher due to planned spending, representing 28.3% of operating revenue compared to 9M23 SG&A expenses which were at 26.8% of the operating revenue. 3Q24 SG&A expenses was THB 1,100 mn representing 27.5% of operating revenue compared to 3Q23 SG&A expenses which were at 26.8% of operating revenue, higher due to planned spending. We expect SG&A expenses to taper down by year end.

4. Consolidated Net Profit

Adjusted net profit¹ for 9M24 came in at

THB 1,595 mn

Adjusted net profit for 9M24 declined by 6.5% YoY, mainly on account of increased planned SG&A expenses. We expect SG&A expenses to taper down by year end. Adjusted net profit for 3Q24 up by 3.5% YoY, mainly arising from growth in branded business.

Reported net profit for 9M24 came in at

THB 1,373 mn

Reported net profit for 9M24 declined by 9.6% YoY, mainly on account of increased planned SG&A expenses. We expect SG&A expenses to taper down by year end. Reported net profit for 3Q24 decline by 28.5% YoY, mainly arising from forex loss due to appreciation of Thai Baht to USD in 3Q24



5. Cash Flow

Operating Activities

Healthy Operating cash inflow of THB 1,600 mn for 9M24. Operating cash inflow represents 117% of net profits.

Core working capital

	Dec'23	Jun'24	Sep'24
Average receivable days	74	71	71
Average inventory days	157	142	145
Average payable days	(99)	(91)	(84)
Cash cycle (days)	132	122	132

Cash cycle days remained stable in Sep'24 at 132 days compared to 132 days in Dec'23.

Investing Activities

In 9M24, THB 160.0 mn was invested in tangible assets⁵ mainly driven by spending towards manufacturing plants in Thailand, Indonesia and Australia.

Capex plan: Besides regular improvement and maintenance capex which are incurred every year, an amount of THB 390mn is expected to be spent during 2024-25 towards below projects:

Indonesia: THB 380mn towards adding new dosage form, warehouse and plant up-gradation in acquired Indonesian manufacturing plant

Thailand: THB 10mn towards ESG for manufacturing operations

Financing Activities

In 9M24, net cash outflow from financing activities was THB 1,365mn, mainly arising from dividend payout of THB 1,395mn and inflow from increase in bank borrowings of THB 98mn.

⁵ Capital advances are not considered as cash outflow towards acquisition of tangible assets in this report.



6. Balance Sheet

Current Assets

Cash and bank balance (including cash and cash equivalents and term deposits with bank) was THB 2,915mn as at 30 Sep 2024, improved by Baht 203 million as compared to 31 December 2023 mainly due to improved operating cash flow.

Trade receivables were THB 2,970mn as at 30 Sep 2024, a decrease of THB 344mn compared to THB 3,314mn as at 31 December 2023 mainly a result of better collections. Inventories were THB 3,118mn as at 30 Sep 2024, a decrease of THB 260mn compared to THB 3,377mn as at 31 December 2023.

As at 30 Sep 2024, Current ratio was stable at 2.5 times. The cash cycle days as at 30 Sep 2024 was 132 days stable compared to 132 days as at 31 December 2023.



Non-current Assets

Non-current assets were

THB 3,961 mn

as at 30 Sep 2024, a decline of THB 164mn or 4.0% from 31 December 2023, decrease mainly attributable to refund of investments in joint venture in 9M24

Non-current Liabilities

Non-current liabilities were

THB 409 mn

as at 30 Sep 2024, an increase of THB 33mn or 8.7% from 31 December 2023 mainly a result of new lease agreements and increase in Employment Benefit Obligations in 9M24.

As at 30 Sep 2024, net-debt to equity was (0.30) times, while debt to equity was 0.46 times and interest bearing debt to equity at 0.02 times.

Current Liabilities

Current liabilities were

THB 3,886 mn

as at 30 Sep 2024, a decrease of THB 551mn or 12.4% compared to 31 December 2023. The decrease in current liabilities was mainly a result of decrease in other payables due to settlement of other payables.

Trade payables were THB 1,841mn as at 30 Sep 2024, a decrease by THB 84mn or 4.3% from 31 December 2023 levels. Overall the cash cycle has remained stable at 132 days as at 30 Sep 2024, same as 132 days in 31 December 2023.

Shareholders' Equity

Shareholders' equity was

THB 9,238 mn

as at 30 Sep 2024, an decrease of THB 64mn compared to 31 December 2023, mainly driven by 9M24 net profits and reduced by dividend payments.



CONSOLIDATED BALANCE SHEET

Figures in THBmn	30-Sep-24		31-Dec-23		Change	
	Amount	%	Amount	%	Amount	%
Current Assets						
Cash and bank balances ⁶	2,915.4	21.5%	2,712.2	19.2%	203.2	7.5%
Trade accounts receivable	2,970.0	21.9%	3,313.8	23.5%	(343.7)	(10.4%)
Inventories	3,117.8	23.0%	3,377.4	23.9%	(259.5)	(7.7%)
Other current assets	568.7	4.2%	586.6	4.2%	(17.9)	(3.1%)
Total Current Assets	9,571.9	70.7%	9,990.0	70.8%	(418.1)	(4.2%)
Non-Current Assets						
Property, plant and equipment ⁷	1,966.2	14.5%	2,009.5	14.2%	(43.3)	(2.2%)
Intangible assets ⁸	1,333.2	9.9%	1,318.5	9.3%	14.7	1.1%
Deferred tax asset	258.1	1.9%	278.9	2.0%	(20.9)	(7.5%)
Right-of-use assets	270.2	2.0%	250.8	1.8%	19.5	7.8%
Other non-current assets	133.1	1.0%	267.1	1.9%	(134.0)	(50.2%)
Total Non-Current Assets	3,960.8	29.3%	4,124.9	29.2%	(164.0)	(4.0%)
Total Assets	13,532.8	100.0%	14,114.9	100.0%	(582.1)	(4.1%)
Current Liabilities						
Bank overdrafts & short-term Loans	168.7	1.2%	76.0	0.5%	92.7	122.0%
Trade accounts payable	1,841.3	13.6%	1,924.8	13.6%	(83.5)	(4.3%)
Other payables	909.1	6.7%	1,400.7	9.9%	(491.6)	(35.1%)
Current portion of lease liabilities	64.6	0.5%	43.8	0.3%	20.9	47.6%
Income tax payable	28.2	0.2%	108.5	0.8%	(80.2)	(74.0%)
Accrued expenses	873.9	6.5%	882.8	6.3%	(8.9)	(1.0%)
Total Current Liabilities	3,886.0	28.7%	4,436.6	31.4%	(550.6)	(12.4%)
Non-Current Liabilities						
Lease liabilities	144.6	1.1%	132.1	0.9%	12.6	9.5%
Deferred tax liability	0.0	0.0%	2.1	0.0%	(2.1)	(99.8%)
Employees benefits obligation	264.4	2.0%	241.9	1.7%	22.5	9.3%
Other non-current liabilities	-	0.0%	-	0.0%	-	0.0%
Total Non-Current Liabilities	409.0	3.0%	376.1	2.7%	32.9	8.7%
Total Liabilities	4,295.0	31.7%	4,812.7	34.1%	(517.7)	(10.8%)
Equity						
Issued and paid-up share capital	435.9	3.2%	435.9	3.1%	0.0	0.0%
Premium on ordinary shares	2,304.5	17.0%	2,304.5	16.3%	-	0.0%
Retained earnings:						
Appropriated	76.1	0.6%	76.1	0.5%	-	0.0%
Unappropriated	7,127.8	52.7%	7,149.9	50.7%	(22.0)	(0.3%)
Other components of equity	(706.8)	(5.2%)	(664.2)	(4.7%)	(42.5)	6.4%
Owner's Equity	9,237.6	68.3%	9,302.2	65.9%	(64.5)	(0.7%)
Non-controlling interests	0.1	0.0%	0.0	0.0%	0.1	702.8%
Total Equity	9,237.8	68.3%	9,302.2	65.9%	(64.4)	(0.7%)
Total Liabilities and Equity	13,532.8	100.0%	14,114.9	100.0%	(582.1)	(4.1%)

6 Cash and bank balances as at balance sheet dates include non-restricted term deposits with banks

7 Includes asset classified as investment property of THB 33.4mn as at Sep'24 and THB 35.0mn as at Dec'23.

8 Includes goodwill of THB 458.7mn as at Sep'24 and THB 456.2mn as at Dec'23.

CONSOLIDATED INCOME STATEMENT

Figures in THBmn	3Q23	2Q24	3Q24	YoY Gr.	9M23	9M24	YoY Gr.
Operating Revenue	3,802.9	3,953.8	4,000.7	5.2%	11,523.4	11,687.1	1.4%
Other income	27.0	26.4	31.8	18.0%	63.7	80.1	25.7%
Total Income	3,829.9	3,980.1	4,032.5	5.3%	11,587.1	11,767.2	1.6%
Cost of goods sold	2,064.0	2,037.9	1,866.1	(9.6%)	6,333.4	5,888.0	(7.0%)
Gross profits	1,738.9	1,915.9	2,134.6	22.8%	5,190.0	5,799.1	11.7%
Gross margin (%)	45.7%	48.5%	53.4%		45.0%	49.6%	
Selling expense	613.8	667.7	640.7	4.4%	1,841.9	1,911.2	3.8%
Administrative expense	407.0	472.1	458.7	12.7%	1,244.8	1,394.4	12.0%
Selling & Administrative exp (SGA)	1,020.8	1,139.8	1,099.5	7.7%	3,086.8	3,305.6	7.1%
SGA (% to operating revenue)	26.8%	28.8%	27.5%		26.8%	28.3%	
Net foreign exchange loss/(gain)	103.6	187.1	601.0	480.1%	410.4	939.0	128.8%
Depreciation & Amortization	72.5	70.9	71.3	(1.5%)	212.7	211.6	(0.5%)
Finance cost	8.4	9.3	10.4	23.8%	26.6	24.8	(6.8%)
Share of profit/(loss) from JV	(0.1)	(0.1)	(0.2)	151.8%	0.2	0.2	6.5%
Profit before tax	633.1	606.0	455.5	(28.1%)	1,730.1	1,610.0	(6.9%)
Tax expense	97.6	93.2	72.8	(25.5%)	210.7	236.8	12.4%
Reported net profit	535.4	512.8	382.7	(28.5%)	1,519.4	1,373.2	(9.6%)
Basic earnings per share	0.61	0.59	0.44	(28.5%)	1.74	1.57	(9.6%)
Net losses from new businesses	11.3	7.8	3.4	(70.0%)	30.4	20.5	(32.6%)
Net foreign exchange loss/(gain)	(37.7)	36.1	157.9	(519.0%)	187.0	201.3	7.7%
Normalizing tax expense	16.5	-	0.0	(100.0%)	(31.0)	0.0	(100.0%)
Normalized tax expense%	14.0%	15.4%	16.0%		13.2%	14.7%	
Net profit (Adjusted)	525.5	556.7	544.0	3.5%	1,705.7	1,595.0	(6.5%)
Net profit margin to operating revenue	13.8%	14.1%	13.6%		14.8%	13.6%	
Basic earnings per share	0.60	0.64	0.62	3.5%	1.96	1.83	(6.5%)

Disclaimer

The information contained in our analysis is intended solely for your personal reference only. In addition, any forward-looking statements reflect our current views with respect to future events and financial performance.

These views are based on assumptions subject to various risks and uncertainties. No assurance is given that future events will occur or that our assumptions are correct. Actual results may differ materially from those projected.