

GLOCON.061/2019

November 11th, 2019

Subject Management's analysis for the 3rd quarter of 2019

Attn. The President

The Stock Exchange of Thailand

Management's analysis

For 3 months period & For 9 months period Performance for the 3rd quarter of 2019

For 3 months period ended of September 30th, 2019

Consolidated Profit & Loss of Global Consumer Public Company Limited

Unit: Million Baht

| | Q3/2019 | Q3/2018 | %YoY | Q2/2019 | %QoQ |
|---------------------------------------|---------|---------|--------|---------|---------|
| Revenues from Sale and Services | 149.3 | 155.3 | (3.9%) | 141.9 | 5.2% |
| Revenues from Sale of Food & Beverage | 139.3 | 129.7 | 7.4% | 157.6 | (11.6%) |
| Total revenue | 288.6 | 285.0 | 1.3% | 299.5 | (3.6%) |
| Gross Profit | 68.6 | 58.4 | 17.5% | 68.0 | 0.9% |
| Profit (Loss) from the operation | 8.5 | (40.8) | 120.8% | 3.3 | 157.6% |
| Gain (Loss) from temporary investment | (7.0) | (10.4) | 32.7% | (6.3) | (11.1%) |
| Profit (Loss) for the period | 1.5 | (51.2) | 102.9% | (3.0) | 150.0% |

For 9 months period ended of September 30th, 2019

Consolidated Profit & Loss of Global Consumer Public Company Limited

Unit: Million Baht

| | Q3/2019 | Q3/2018 | Δ | %YoY |
|---------------------------------------|---------|---------|--------|--------|
| Revenues from Sale and Services | 438.2 | 471.3 | (33.1) | (7.0%) |
| Revenues from Sale of Food & Beverage | 429.3 | 380.2 | 49.1 | 12.9% |
| Total revenue | 867.5 | 851.5 | 16.0 | 1.9% |
| Gross Profit | 199.9 | 166.0 | 33.9 | 20.4% |
| Profit (Loss) from the operation | (14.6) | (98.6) | 84.0 | 85.2% |
| Gain (Loss) from temporary investment | (11.8) | (48.1) | 36.3 | 75.5% |
| Profit(Loss) for the period | (26.4) | (146.7) | 120.3 | 82.0% |

Unit: Million Baht

| | Year 2019 | Year 2018 | Δ | %YoY |
|--|---------------|----------------|--------------|--------------|
| Revenue from the operation | | | | |
| Revenues from Sale and Services | | | | |
| Quarter 1 | 147.0 | 158.3 | (11.3) | (7.1%) |
| Quarter 2 | 141.9 | 157.7 | (15.8) | (10.0%) |
| Quarter 3 | 149.3 | 155.3 | (6.0) | (3.9%) |
| Total 9 months | 438.2 | 471.3 | (33.1) | (7.0%) |
| Revenues from Sale of Food & Beverage | | | | |
| Quarter 1 | 132.4 | 126.0 | 6.4 | 5.1% |
| Quarter 2 | 157.6 | 124.5 | 33.1 | 26.6% |
| Quarter 3 | 139.3 | 129.7 | 9.6 | 7.4% |
| Total 9 months | 429.3 | 380.2 | 49.1 | 12.9% |
| Total Revenue from the operation | 867.5 | 851.5 | 16.0 | 1.9% |
| Profit (Loss) from the operation | | | | |
| Quarter 1 | (26.4) | (31.8) | 5.4 | 17.0% |
| Quarter 2 | 3.3 | (26.0) | 29.3 | 112.7% |
| Quarter 3 | 8.5 | (40.8) | 49.3 | 120.8% |
| Total 9 months | (14.6) | (98.6) | 84.0 | 85.2% |
| Gain (Loss) from temporary investment | (11.8) | (48.1) | 36.3 | 75.5% |
| Profit (Loss) for the 9 months period | (26.4) | (146.7) | 120.3 | 82.0% |

Overall, The Management gives priority to the net profit by increasing revenue from all products and sales channels, effective cost and expense management. As a result, the Company is able to make an operating profit since quarter 2 year 2019.

The Management will continue to focus on sales and cost to generate sustainable profit and to satisfy our shareholders as in the Company's Turnaround roadmap.

We are able to provide details as follow.

Revenue

Sales revenue for 9 months of 2019 amounts to Baht 867.5 Million, Increased by 16.0 Million Baht or 1.9% compared to the previous year.

Revenues from Sale of Goods and Rendering of Services

Flexible Packaging Unit:

Revenue amounts to 285.8 Million Baht, increased by 11.0 Million Baht or 4.0% compared to the previous year as the Company has improved customer portfolio by focus more on high margin SKUs which results in better net Profit.

PET Bottle Unit:

Revenue amounts to 41.8 Million Baht, decreased by 22.4 Million Baht or 34.9% compared to the previous year due to the Company's strategy in selecting the customer with gross margin.

Vacuum Forming:

Revenue amounts to 87.2 Million Baht, decreased by 24.2 Million Baht or 21.7% compared to the previous year as this year has new strategy to move away from plastic to biodegradable.

Revenues from Sale of Food & Beverage

Food & Beverage Unit:

Revenue amounts to 150.5 Million Baht, categorized by brand as follows;

A&W restaurant:

Revenue amounts to 119.3 Million Baht, decreased by 22.4 Million Baht or 15.8% compared to the previous year due to comply with the policy to reduction of unprofitable stores.

Kitchen Plus restaurant:

Revenue amounts to 28.8 Million Baht, increased by 28.8 Million Baht or 100.0% compared to the previous year as revenue recognition began in the 4th quarter of 2018.

Processed Food Unit:

Revenue amounts to 278.8 Million Baht, increased by 43.2 Million Baht or 18.3% compared to the previous year due to higher order volume in frozen shrimp and fish and frozen ready meals. The Unit's new production line began operating since May, 2018. The Company has also provided more variety of products (ready to eat) and distributed to a large convenience store chain.

Costs

Cost of Goods and Services

Costs of goods and services amounts to 370.4 Million Baht, decreased by 45.5 Million Baht or 10.9% compared to the previous year as the Company was able to manage raw material and labor cost more efficiently, resulting in higher gross margin.

Cost of Food & Beverage

Costs of food and beverage amounts to 297.2 Million Baht, increased by 27.6 Million Baht or 10.2% compared to the previous year due to sales growth in the unit. As for processed food, production re-evaluation leads to better raw material cost, packing cost and yield management.

Other income

Other income amounts to 22.0 Million Baht, increased by 7.2 Million Baht or 48.6 % compared to the previous year due to the Company has recognized the franchise fees of Kitchen Plus brand which began in the 4th quarter of 2018.

Expenses**Selling Expense**

Selling expenses amounts to 145.3 Million Baht, increased by 2.0 Million Baht or 1.4% compared to the previous year.

Administrative Expense

Administrative expenses amounts to 116.0 Million Baht, increased by 7.6 Million Baht or 7.0% compared to the previous year due to the addition of Kitchen Plus brand which began in the 4th quarter of 2018 and termination of unprofitable restaurant outlets with one time write-off expenses.

Discontinued operation

Gain from Discontinued operation amounts to 20.0 Million Baht, decreased by 40.7 Million Baht or 203.5% compared to the previous year due to reversal of payable to recognize in other income of amount 21.9 Million Baht.

Financial Expense

Financial expenses amounts to 5.7 Million Baht, decreased by 2.7 Million Baht or 32.1% compared to the previous year due to reduce of loan to a subsidiary.

Please be informed accordingly

Yours Faithfully

(Mr. Chirdsak Kukiattinun)

Executive Chairman