



No. FI202005-01

May 15th, 2020

Subject: Report on operating results for the year ended March 31st, 2020
and changes in the operating results from the same period of the previous year

To: President of the Stock Exchange of Thailand

Regarding a regulation of the Stock Exchange of Thailand stating that in case of the listed company's operating results are different from the same period of the previous year by more than 20%, the listed company shall submit a report, along with financial statements, to notify the reasons for such changes.

Table 1: P&L Statement

(Unit: Thousand Baht)

Profit & Loss statement	Q1/2020	%	Q1/2019	%	Q4/2019	%	YoY%	QoQ%
Total Revenue	844,351	100.0%	796,705	100.0%	819,624	100.0%	6.0%	3.0%
Revenue from selling goods	830,046	98.3%	775,088	97.3%	788,406	97.9%	7.1%	5.3%
Net gain from foreign exchange	-	0.0%	-	0.0%	5,120	0.6%		-100.0%
Gain from changes in interest in associate	-	0.0%	10,082	1.3%	-	0.0%	-100.0%	
Others income	14,305	1.7%	11,535	1.4%	26,098	3.2%	24.0%	-45.2%
Cost of goods sold	533,436	63.2%	486,338	61.0%	532,522	65.0%	9.7%	0.2%
Gross profit	310,915	36.8%	310,367	39.0%	287,102	35.0%	0.2%	8.3%
SG&A	206,662	24.5%	164,746	20.7%	223,731	27.3%	25.4%	-7.6%
Selling expenses	106,005	12.6%	98,557	12.4%	146,821	17.9%	7.6%	-27.8%
Administrative expenses	75,057	8.9%	65,495	8.2%	76,910	9.4%	14.6%	-2.4%
Net loss from foreign exchange	25,600	3.0%	694	0.1%	-	0.0%	3588.7%	100.0%
EBIT	104,253	12.3%	145,621	18.3%	63,371	7.7%	-28.4%	64.5%
Finance costs	(863)	-0.1%	(228)	0.0%	(241)	0.0%	278.5%	258.7%
Reversal of impairment loss (TFRS 9)	1,161	0.1%	-	0.0%	-	0.0%	100.0%	100.0%
Share of profit(loss) from investment in association	(3,105)	-0.6%	(255)	0.0%	(4,648)	-0.6%	1117.1%	-33.2%
EBT	101,446	12.0%	145,138	18.2%	58,482	7.1%	-30.1%	73.5%
Income tax expense	18,445	2.9%	27,360	3.4%	8,601	2.9%	-32.6%	114.4%
Net profit(loss)	83,001	9.8%	117,778	14.8%	49,881	6.1%	-29.5%	66.4%
Net profit(loss) of Parent Company	82,011	9.7%	115,251	14.5%	49,917	6.1%	-28.8%	64.3%



Overall Performance

Consolidated revenues for Q1/2020 was Baht 844.4 million, 6.0% increasing YoY. This resulted from the increases of export sales and domestic sales of B'lue product, as well as a full consolidation of sales performance of a subsidiary, All Coco group Co., Ltd ("All Coco").

The consolidation of B'lue and All Coco businesses resulted to higher %COGS to total sales by 2.2 pts. YoY from 61.0% to 63.2%. However, when considering only the Company's base business, the percentage was reduced from 59.2% to 57.9% YoY due to better cost management.

%Selling expenses to total revenue was maintained at the same level as previous year while %Administrative expenses slightly increased as a result of the consolidation of All Coco business. The company realized Baht 25.6 million foreign exchange loss, lowering Q1/2020 net profit to be at Baht 83 million, 29.5% decreasing YoY but 66.4% increasing QoQ.

Revenue

The company reported revenue from selling goods at Baht 830.0 million, 7.1% increasing from the same period of previous year at Baht 775.1 million. The revenue consisted of Baht 372.0 million domestic sales and Baht 458.0 million export sales, increasing YoY at 1.5% and 11.9% respectively.

Domestic revenue increased from higher sales of B'lue product due to positive consumers feedback and full consolidation of All Coco's Q1/20 sales performance, as well as the launches of two new flavors of B'lue, Lychee (in Q4/2019) and Cactus (in Q1/2020). In addition, All Coco has expanded its business to a new distribution channel, Out of Home, with an impressive growth rate. For Sappe brand, the company developed and launched new products, such as Beauti Drink Collaskin, Prew Chlorophyll and Zea Max, in smaller formats with affordable price to penetrate more in traditional trade channel.

For International market, the sales has continuously grown from the expansion of sales coverage and cooperation with partners in more than 90 countries. Besides, the company has started to lunch "Beauti Drink" products in some countries with positive feedbacks from the consumers.

Cost of goods sold

%COGS to total revenue in Q1/2020 was at 63.2%, 61% increasing YoY. This was from high GOGS of B'lue and All Coco and the impact of excise tax since Q4/2019. Given the exclusion of COGS of B'lue and All Coco and the excise tax impact, %COGS to total revenue was at 57.9%, 1.3 pts decreasing YoY, mainly caused by better cost management due to lower production losses, efficiency improvement of machineries and well-managed production plan with support from Danone group.

**Selling expenses**

The company reported %selling expenses to total revenue at 12.6%, no significant change from previous year and in-line with budget.

Administrative expenses

Due to the consolidation of All Coco business, the company reported administrative expenses at Baht 75.1 million, Baht 9.6 million (or 0.7 pts) higher YoY.

Gain (loss) from foreign exchange

The company reported foreign exchange loss at Baht 25.6 million, significantly increasing from previous year due to rapid depreciation of Thai Baht at the end of Q1/2020 from COVID-19 pandemic situation.

Share of profit (loss) from investment in association

Total loss of Baht 3.1 million was reported from investment in an associate, Danone-Sappe Beverages Co., Ltd. (25% shareholding). This loss was from high spending to create brand awareness of B'lue product in the mid and long-term.

Net Profit (Loss)

The company reported net profit at Baht 83.0 million or 9.8% of total revenue, 66.4% higher QoQ while 29.5% lower YoY. If the extraordinary items, such as gain from changes in interest in associate of All Coco consolidation, foreign exchange loss and the excise tax impact were excluded, the net profit would increase by 8.5% YoY.

Please be informed accordingly.

Sincerely Yours,

(Ms.Piyajit Ruckariyapong)

Director and Chief Executive Officer