



Q3 2024

Financial Performance

AGENDA

1. SAPPE Overview
2. Financial Performance Q3'2024
3. Business Updates
4. SAPPE's Sustainability



SAPPE Overview



VISION

Becoming the preferred and trusted global brand driven by a team of passionate and synergistic top talents passionately working happily together in a dynamically innovative workplace.

มุ่งสู่แบรนด์ระดับโลกที่น่าเชื่อถือ

ด้วยองค์กรที่สร้างสรรค์อย่างไม่หยุดนิ่ง

ร่วมกันกับทีมที่มีความสนุก และกระหายความสำเร็จ

MISSION

“Thai Pride”

Be an inspiring Thai model organization delivering superior choices of food & beverages to better people's lives.

เราจะเป็นองค์กรแห่งแรงบันดาลใจ

ที่ส่งมอบอาหารและเครื่องดื่มที่อร่อยสุดเจ๋ง

เพื่อทำให้ชีวิตของผู้คนดีขึ้น ผ่านจิตวิญญาณที่สร้างสรรค์ของเรา



WHO WE ARE



Fun Innovators

+

PASSIONATE
TWIST
TO LIFE

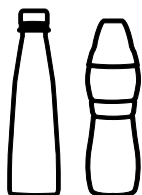
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Endless Innovations



5 Product Categories



>20 Product Brands



100 Countries Worldwide

TOP 3 BRANDS



SAPPE BEAUTI

#2



MOGU MOGU

#1



ALOE VERA

#3

Our Journey to Global Brand

Growth Phase

Establishment Phase

1973
Began a snack business under 'Piyajit' brand

2001
Launched Mogu Mogu

2006
Launched Sappe Beauti Drink

2013
Renamed the company to Sappe Public Co., Ltd.

2014
IPO in The Stock Exchange of Thailand



2016
Invested 40% in a subsidiary, All Coco Group Co., Ltd.



2019

JV (25% stake) with Danone



2021

Sappe x Workpoint
Sappe x Hatakabb



2022 - 2023

Sappe x Power Root Berhad, Malaysia

Succeed in South Korea and France with Korea & France first strategy

Achieved highest ever revenue and net profit



2024

Succeed in UK

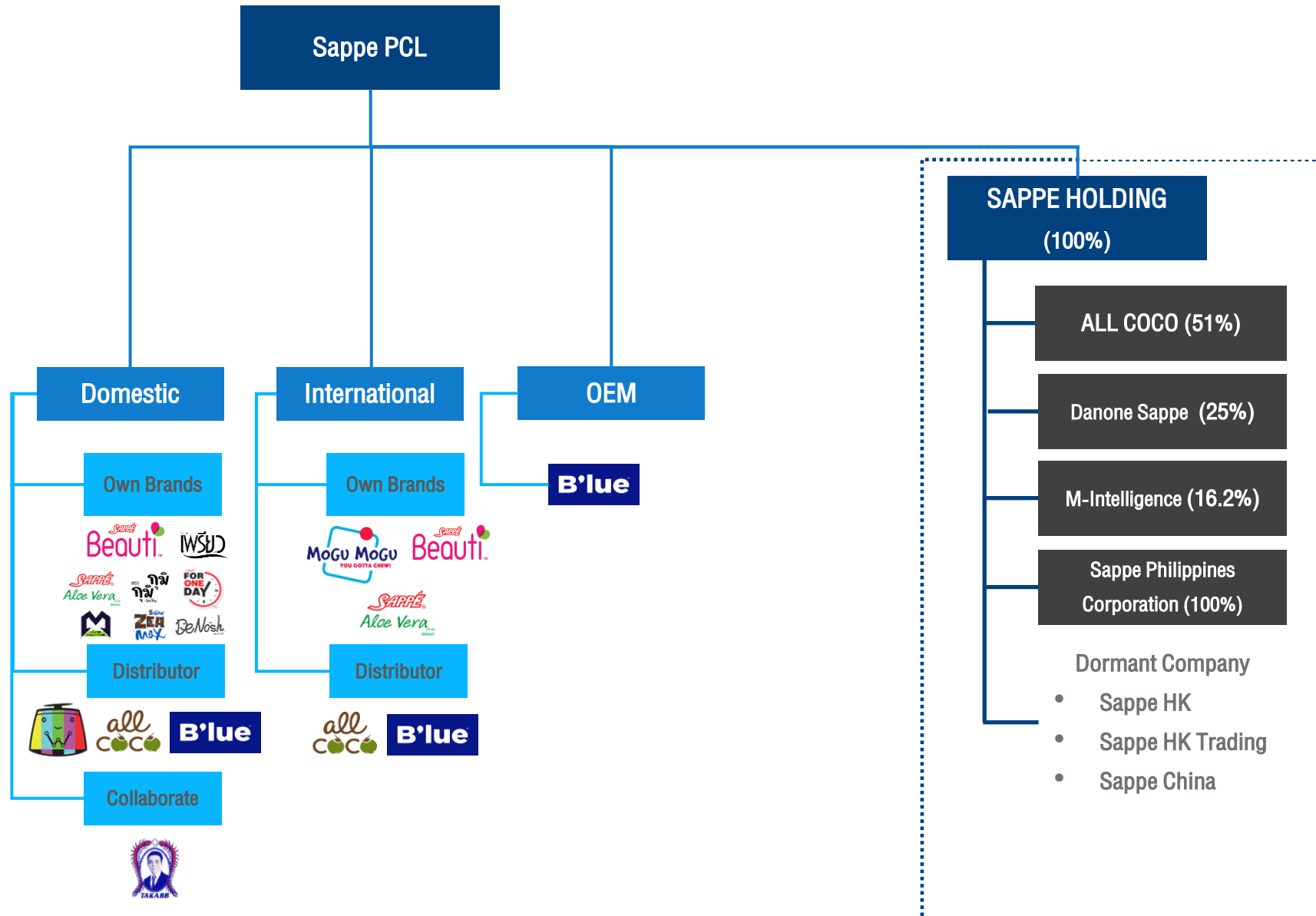
Announced K-Pop boy band "SEVENTEEN" as its "First Global Brand Ambassador" for Mogu Mogu



Continuing journey to strengthen international presence



Sappe Structure



Product Categories

Large Portfolio with Market Leading Brands and Products



Note:

1. In % of total sales of 9M'2024
2. Based on data from the Nielsen Company (Thailand) Co., Ltd., ranking by value.

Innovation is the Core of Our DNA

3 Pillars of Innovation Strategies



Q1'2024: 6 New Products

Q2'2024: 8 New Products

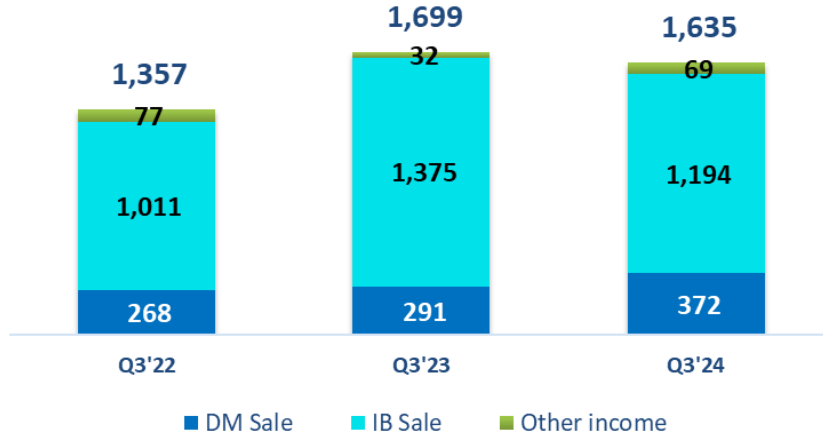
Q3'2024: 3 New Products



Financial Performance Q3'2024

Q3'24 Key Financial Highlights

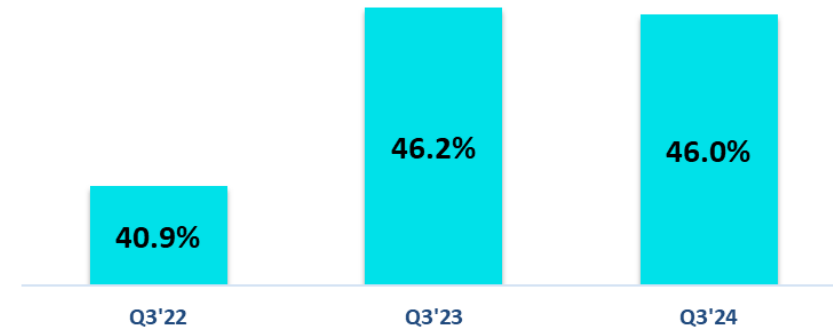
Total Revenue



Q3'24 Total Revenue

1,635 MB
-3.8% YoY

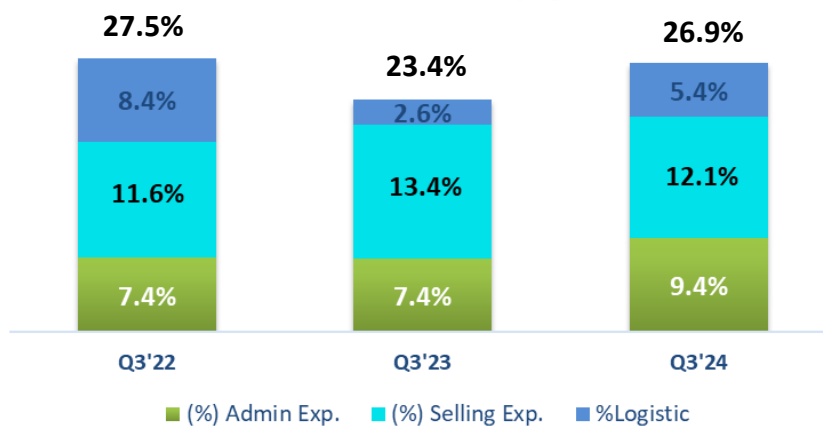
Gross Margin (%)



Q3'24 Gross Margin

46.0%
-0.2% pts YoY

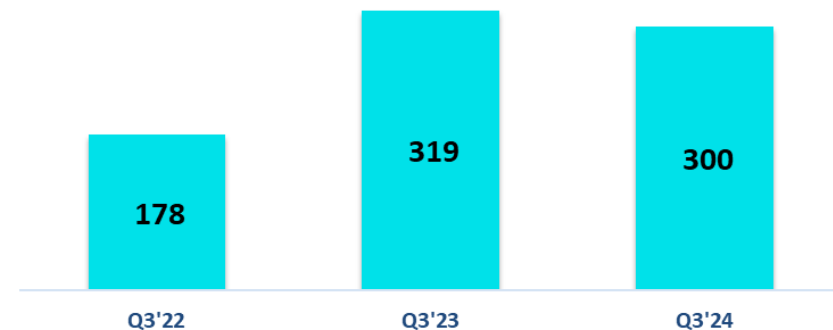
SG&A to sales (%)



Q3'24 SG&A (%)

26.9%
+3.6% pts YoY

Net Profit

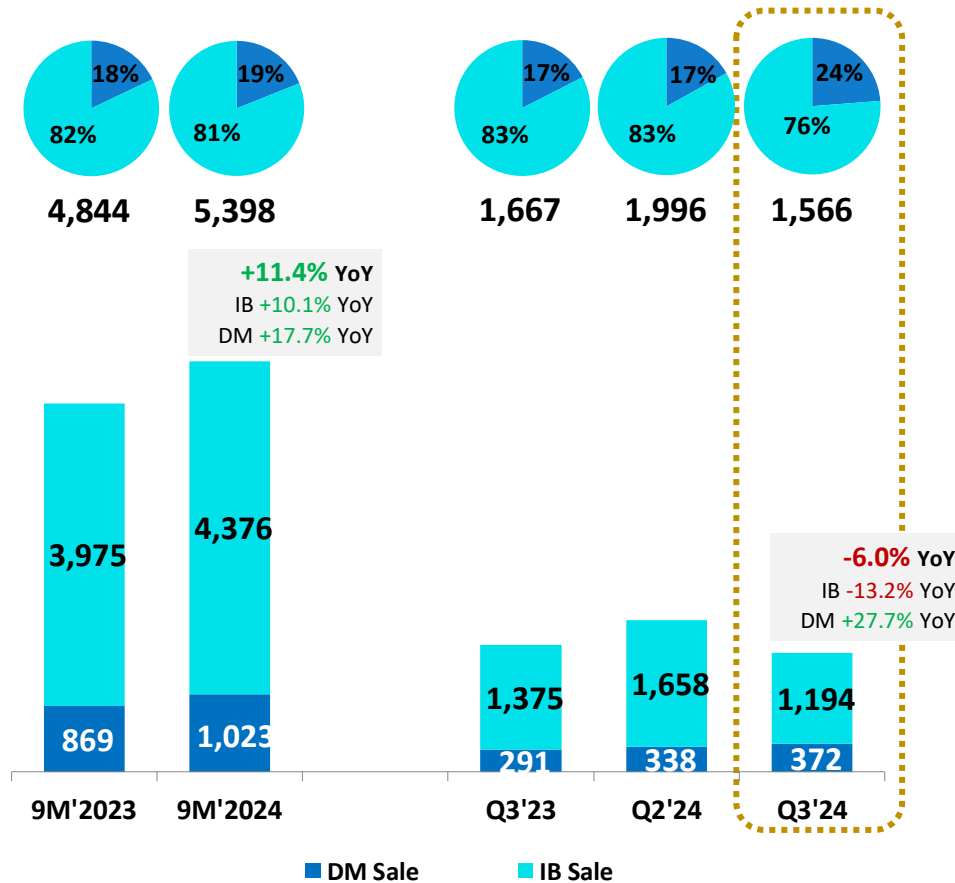


Q3'24 Net Profit

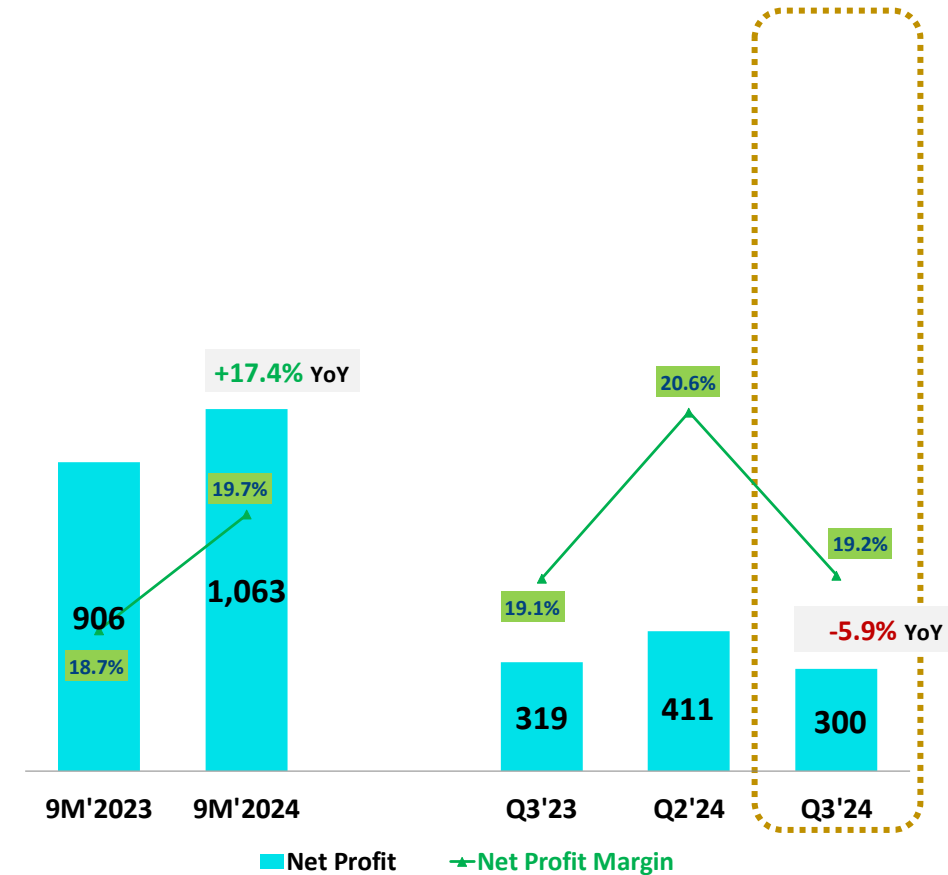
300 MB
-5.9% YoY

Revenue Breakdown & Net Profit

Revenue



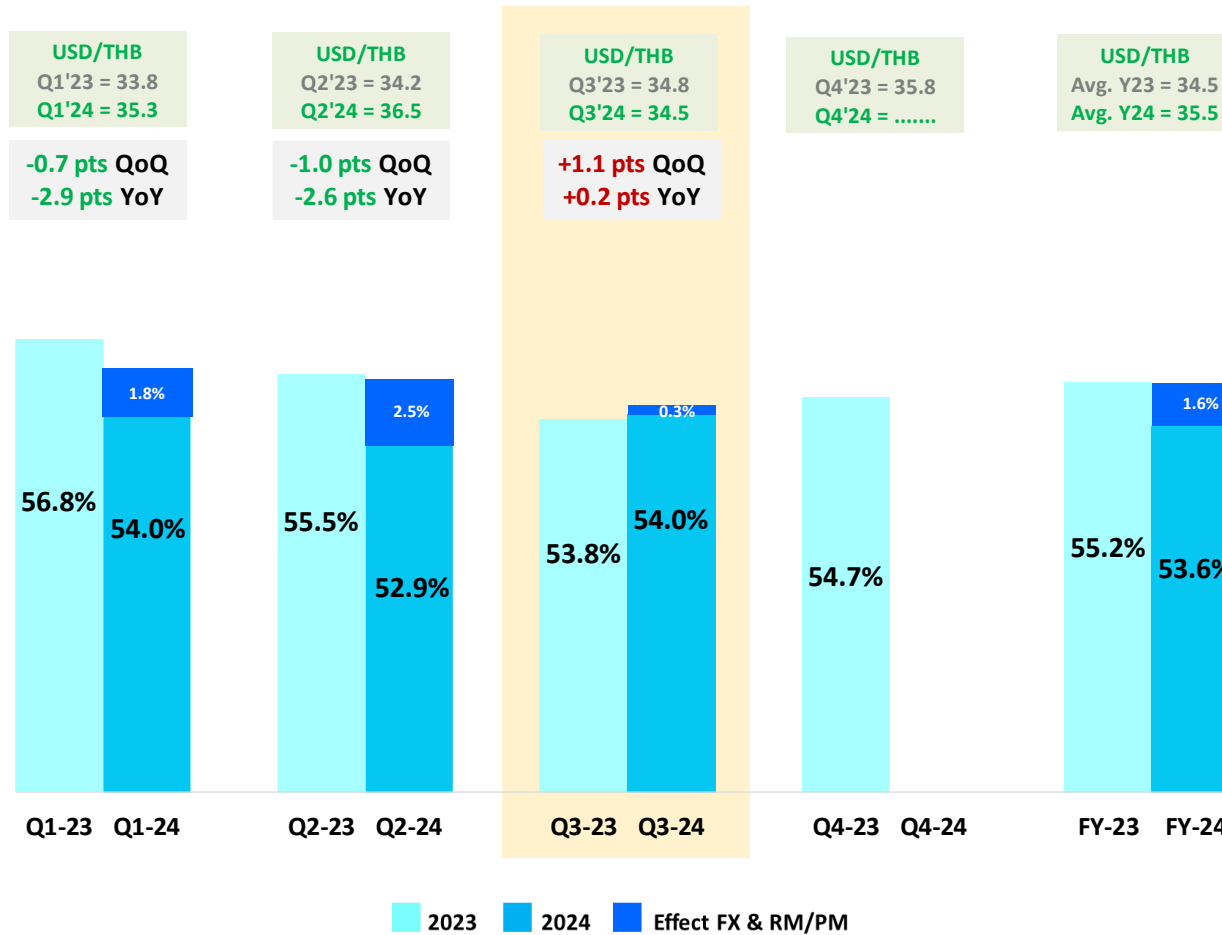
Net Profit



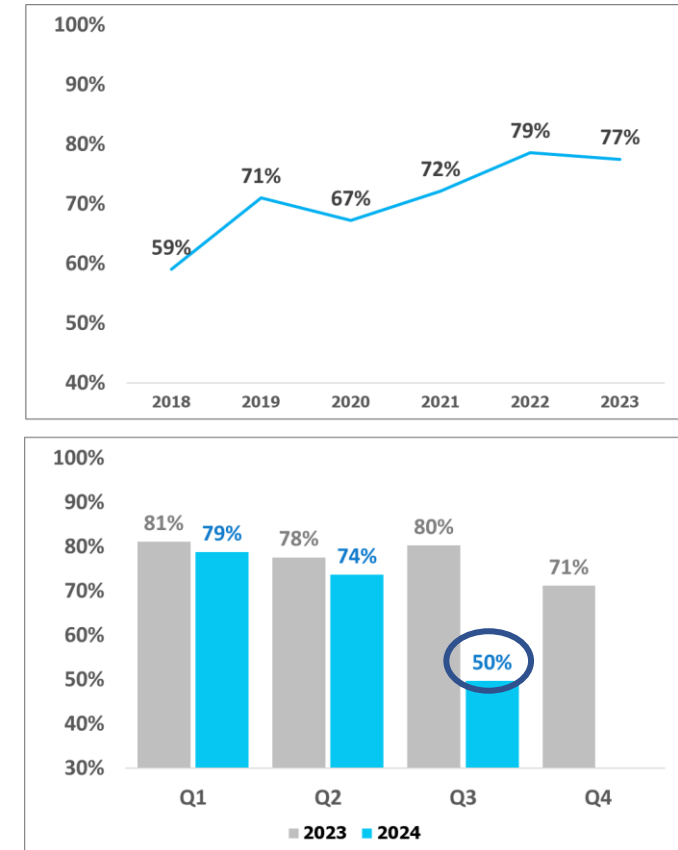
Q3'2024

- The Revenue was at 1,566 mb or -6.0% YoY mainly from IB sales -13.2% and the DM sales +27.7%.
- Net Profit was at 300 mb, decreased by 5.9% YoY.

Cost of Goods Sold by Quarter



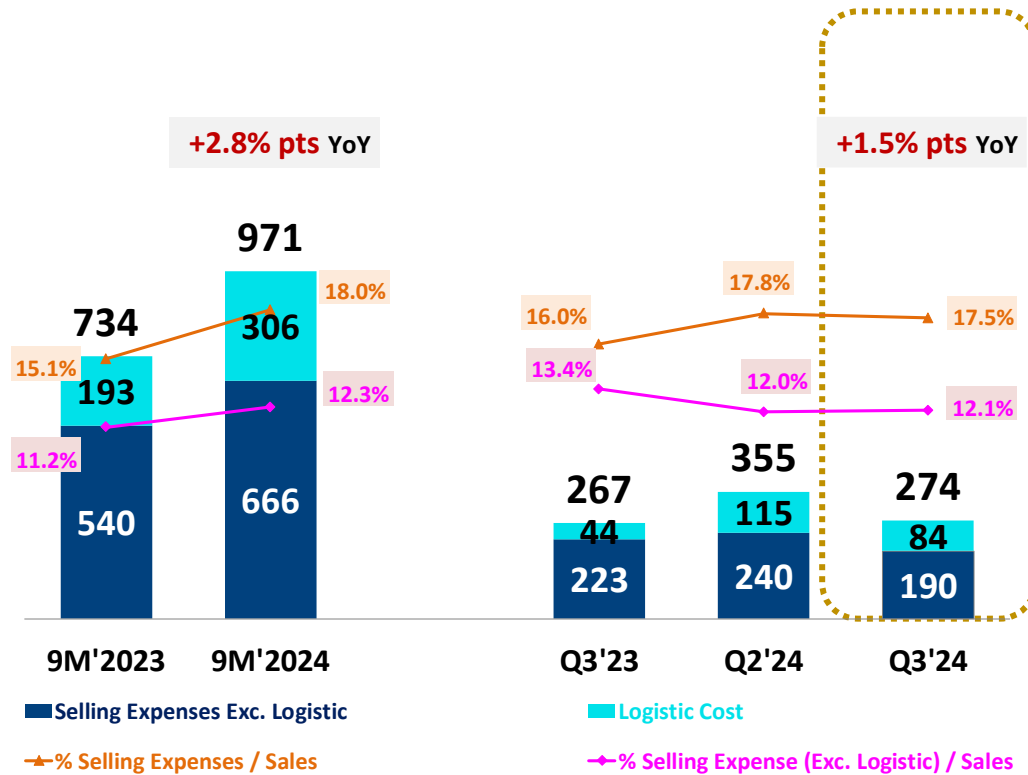
Utilization Rate (Beverage)



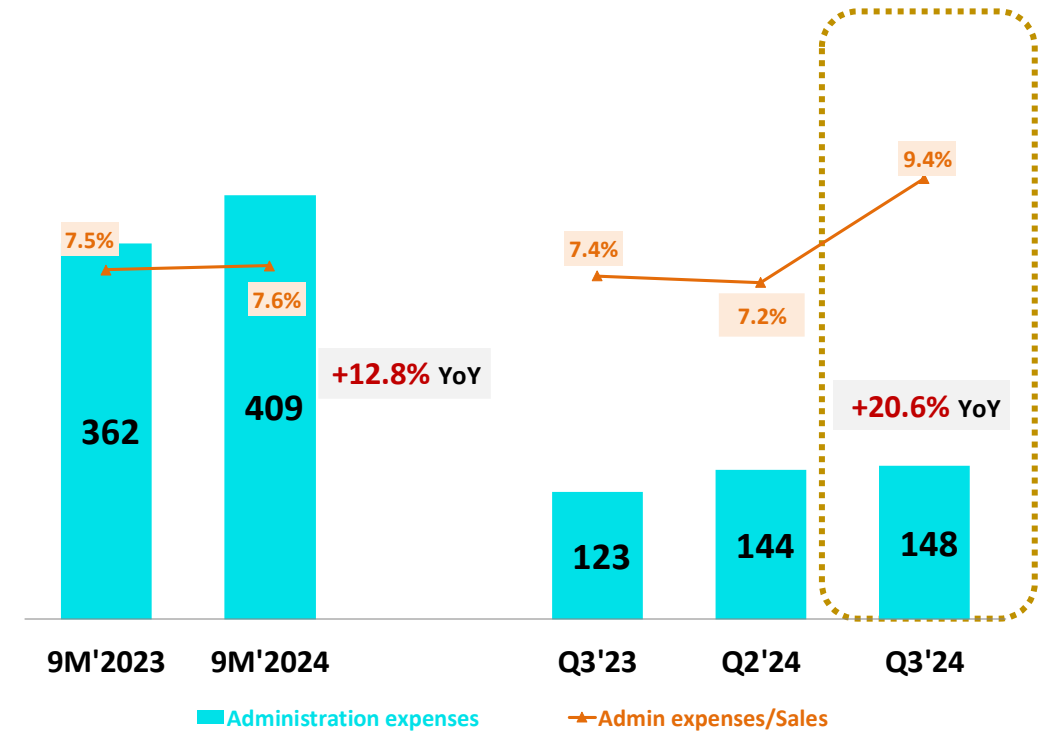
Q3'2024

%COGS was at 54.0% which was higher than last year's by 0.2 pts., due to the appreciation of THB against USD and EUR.

Selling Expenses



Admin Expenses



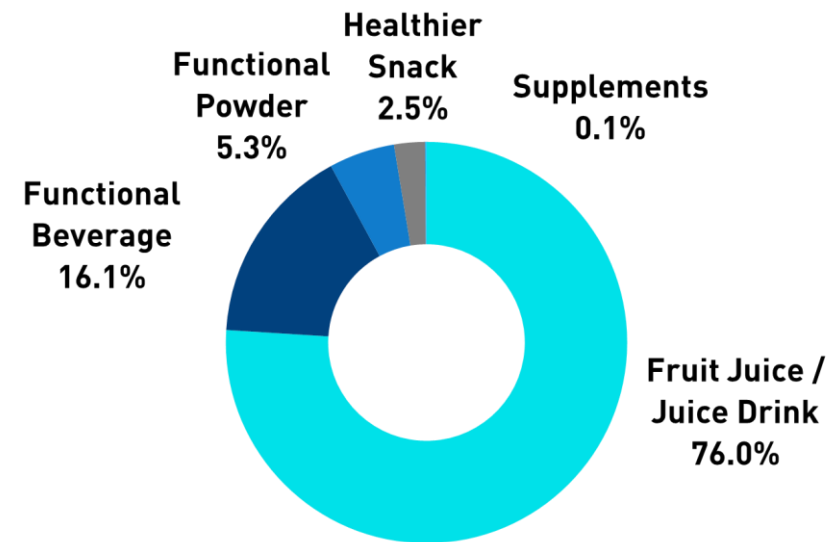
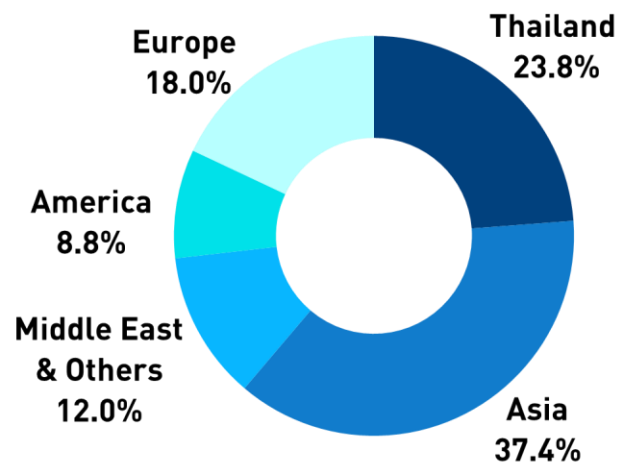
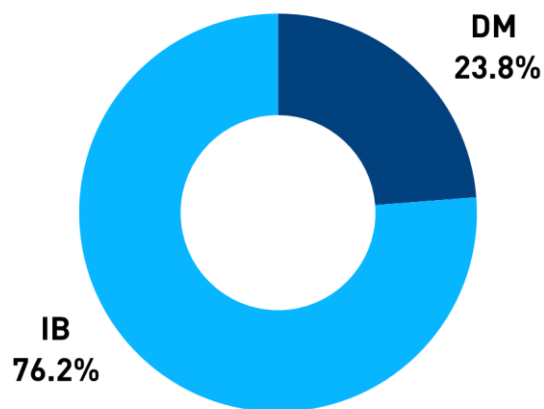
Q3'2024

- %Selling expenses increased by +1.5% YoY.
- Admin Expenses increased from 123 mb to 148 mb (+20.6% YoY), mainly from research, market visits, exhibitions and warehouse rentals.

100

COUNTRIES
TERRITORIES

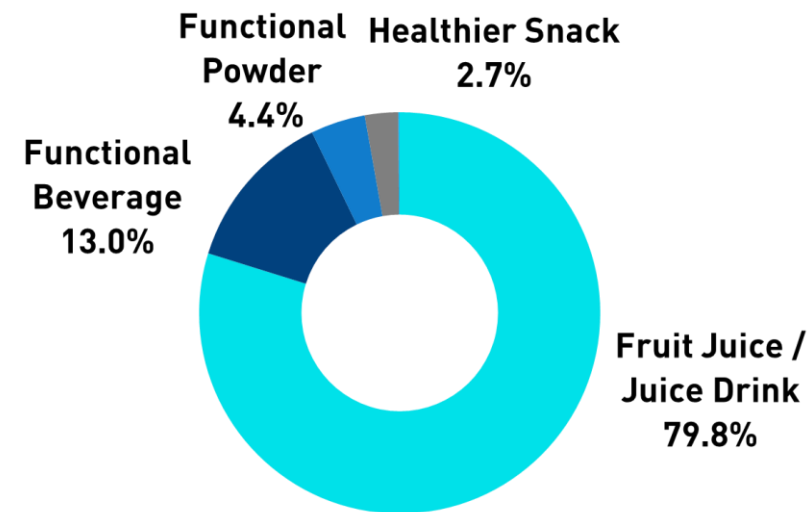
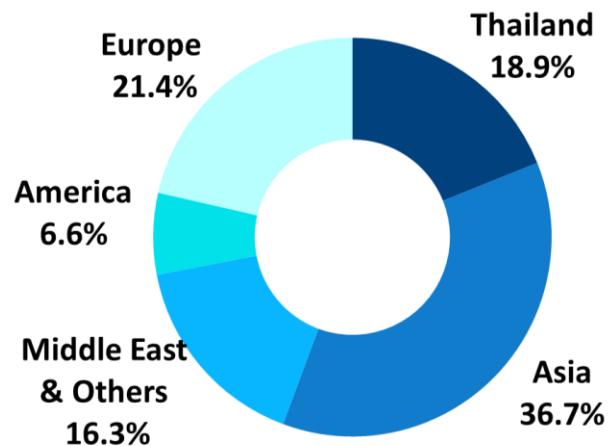
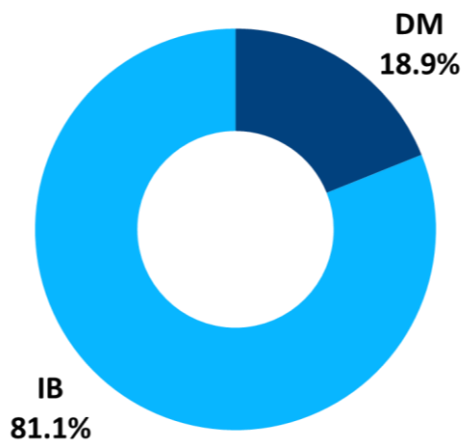
Q3'2024
1,566
Million Baht



100

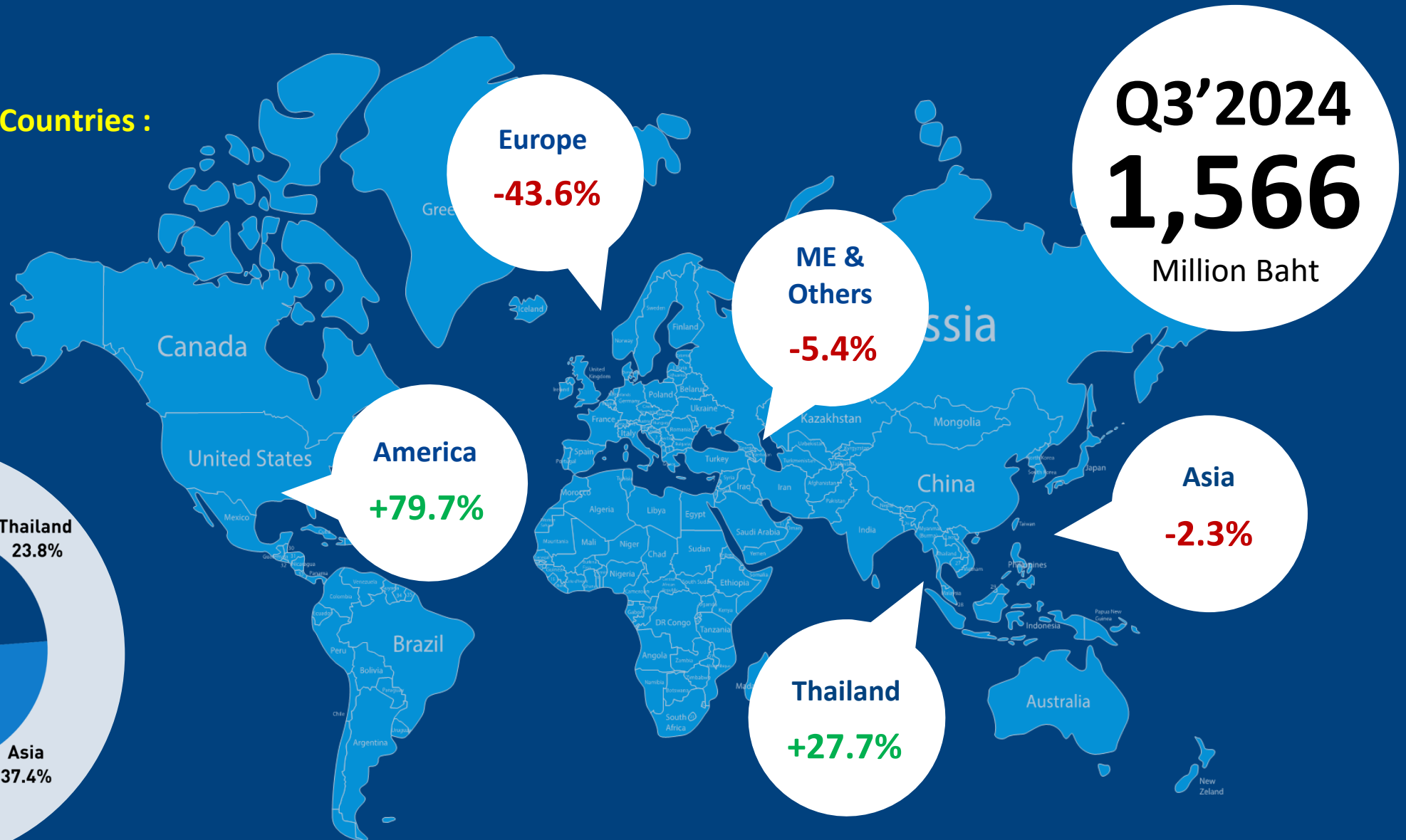
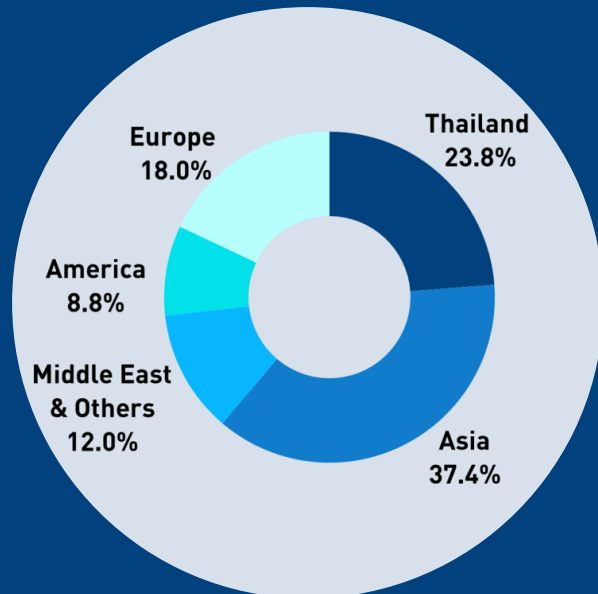
COUNTRIES
TERRITORIES

9M'2024
5,398
Million Baht



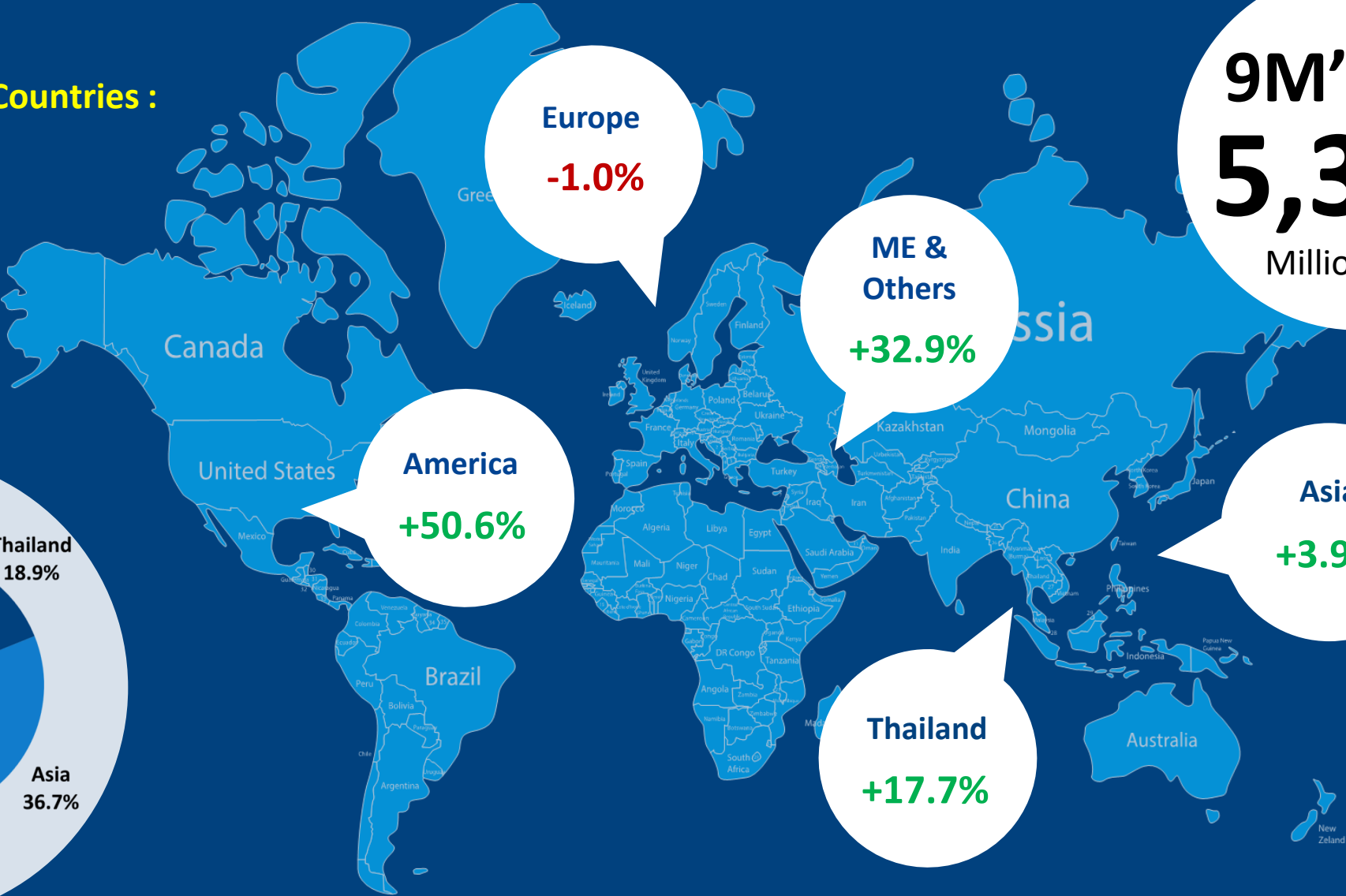
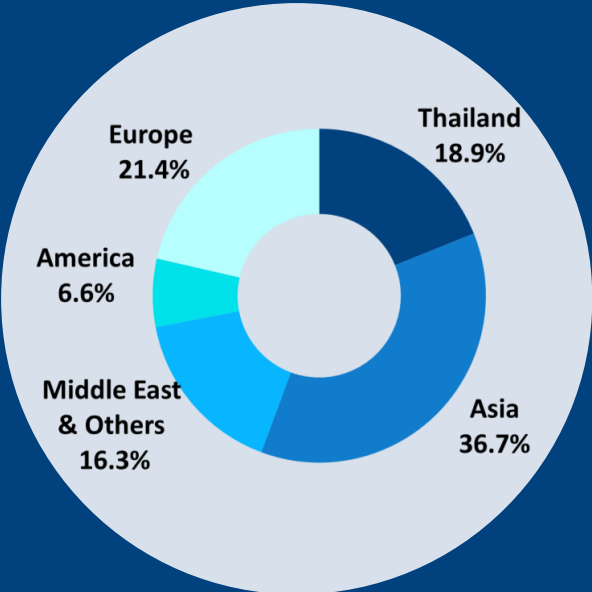
Q3'2024 (YoY) TOP LINE GROWTH BY REGIONS

International Business
Top 3 Contribution by Countries :



9M'2024 (YoY) TOP LINE GROWTH BY REGIONS

International Business
Top 3 Contribution by Countries :



9M'2024
5,398
Million Baht

Business Updates



INTERNATIONAL MARKETS



International Business Journey

01

Trading Model

- Rebate scheme
- Minimize investment

02

Rising Star model

- Expand coverage
- In-depth channel
- Trade scheme vs Availability, Visibility, Affordability

03

Consumer Market (Gems)

- Consumer engagement
- Brand Love
- Brand of Choice



Champion Product



- Fruit flavored drink with Nata de coco
- Full of extra-large Nata de coco cubes
- Variety of choices





**OVERSEAS
AVAILABILITY**

Zone: Asia

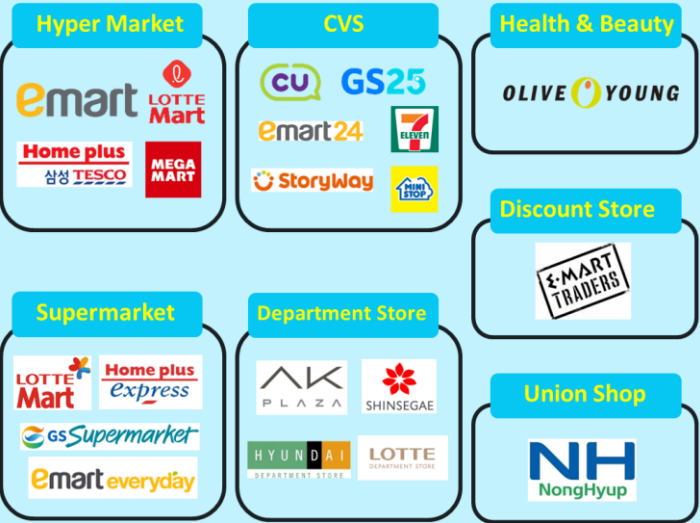
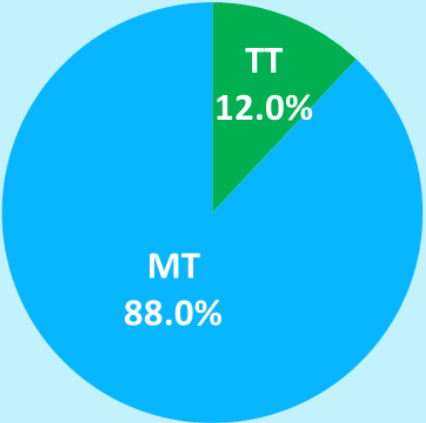
Sales **586.2** Million Baht
Growth **-2.3%** YoY

- ❑ Asia Contribute 37.4% in Q3'2024
- ❑ The Asian market faced challenges in South Korea and Indonesia, resulting in a slight decline in sales. In contrast, the Philippines and Other countries have shown strong results. The Philippines maintained in-store activations, with the successful MGxSeventeen campaign widely accepted by consumers. Other countries is emerging as a high-potential market, with increasing active stores and new product introductions.

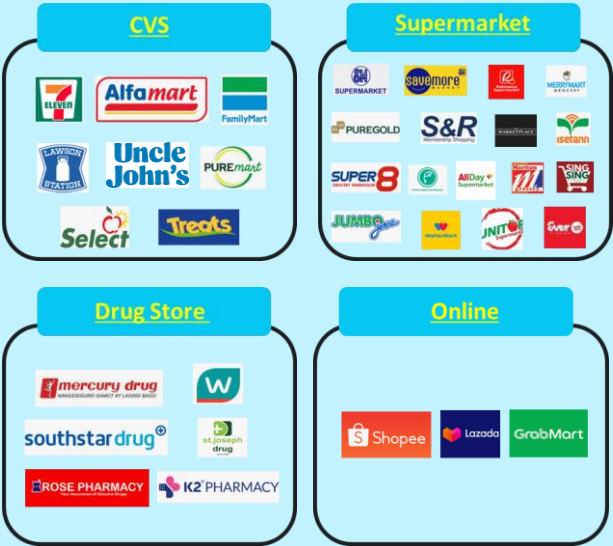
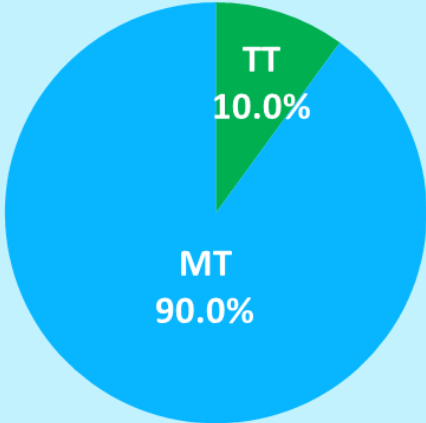


Key Countries

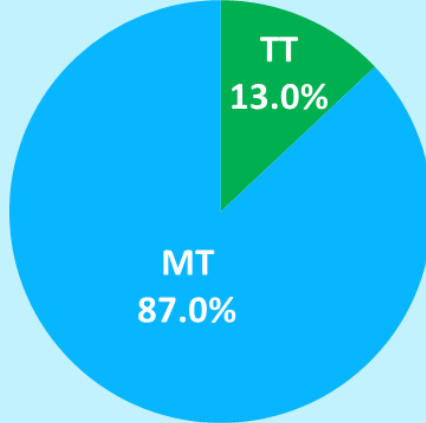
KOREA Market



PHILIPPINES Market



INDONESIA Market



Channel Contribution

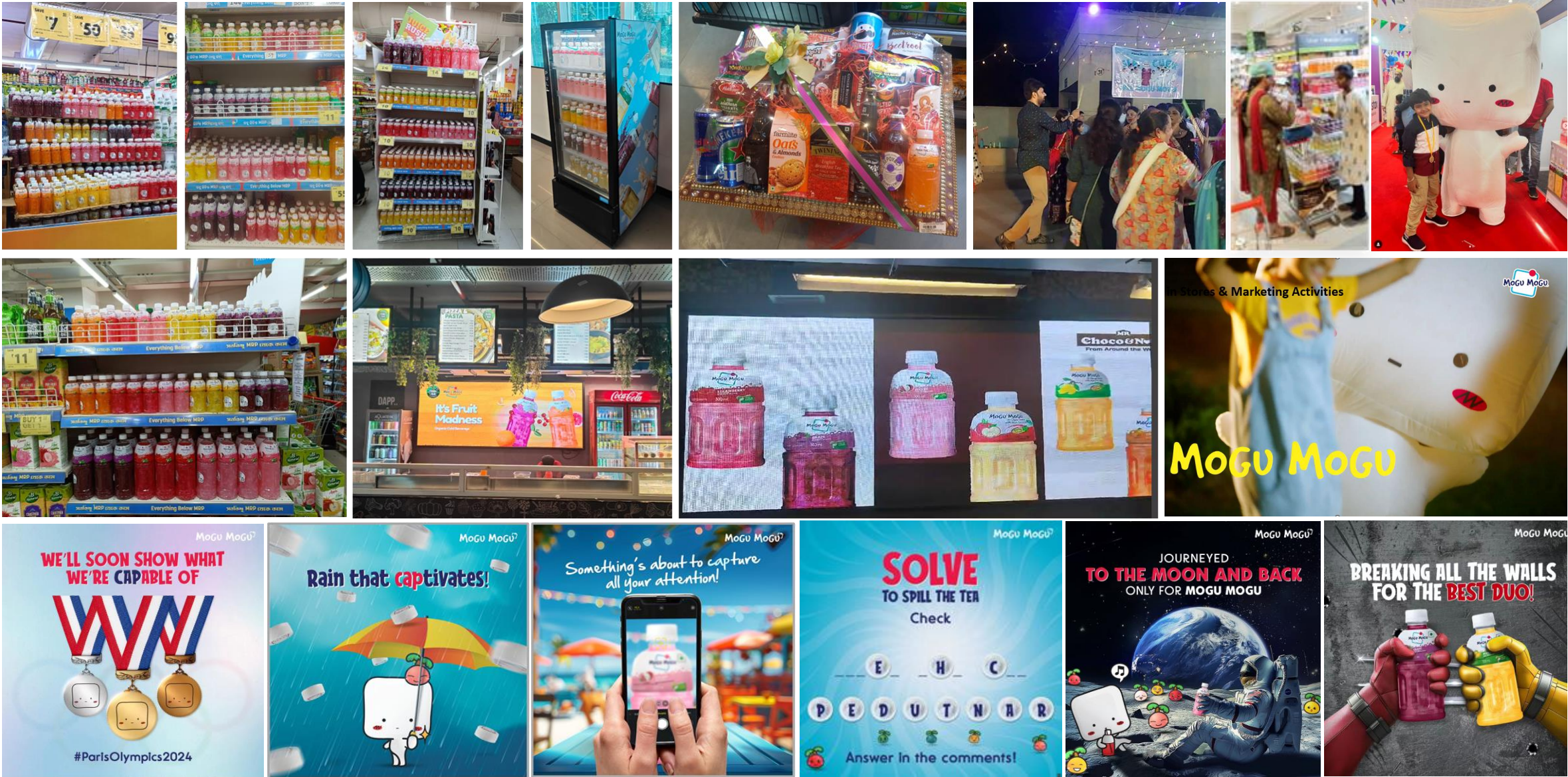
Mogu Mogu in Stores & Marketing Activities



Mogu Mogu Marketing Activities



Mogu Mogu in Stores & Marketing Activities



Zone: Europe

Sales **281.8** Million Baht
Growth **-43.6%** YoY

- ❑ Europe Contribute 18.0% in Q3'2024
- ❑ The European market declined this quarter, primarily driven by the UK, where 2024 stock weight has been high, mainly due to a delay of outlet expansion plan in Modern Trade chains. Furthermore, the markets faced a challenge of cooler weather during the summer (in fact, the coolest summer in the UK since 2015). Also, our marketing campaign of Seventeen did not perform in this region as expected.

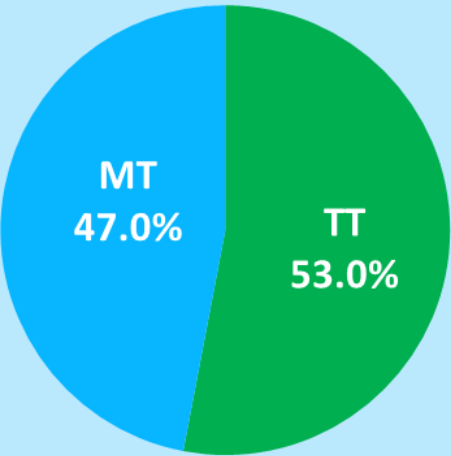


France Market

Mogu Mogu

New Superstar Fruit Juice Drink

Channel Contribution



Mogu Mogu in Stores & Marketing Activities



Mogu Mogu in Stores & Marketing Activities



Zone: Middle East & Others

Sales **188.2** Million Baht
Growth **-5.4%** YoY

- ❑ Middle East & Others Contribute 12.0% in Q3'2024
- ❑ Although the sales in the Middle East declined a bit in Q3'2024, but topline of 9M'2024 grew by 32.9%. Given some uncertainties about port closure in some specific countries, we still expect a strong growth of 2024 full-year basis in the region, focusing on increasing visibility in major hypermarkets and supermarkets in the regions, supported by in-store promotions and social media campaigns on platforms to build brand awareness, and enhance consumer engagement.



Mogu Mogu in Stores & Marketing Activities



Mogu Mogu in Stores & Marketing Activities



Zone: America

Sales **137.8** Million Baht
Growth **79.7% YoY**

- ❑ America Contribute 8.8% in Q3'2024
- ❑ America market growth was driven by penetrating to greenfields area in major mainstream chain market. With the significant growth, also listed products in some key mainstream channel in USA and Canada. and leverage Mogu Mogu distribution channel to tap into new consumer segment. Most importantly, we also implemented Points of sales material to increase product visibility and increase product consumption by using promotion to drive offtake at the stores.



Mogu Mogu in Stores & Marketing Activities



Domestic Market





ตอบโต้ กับ
Beuti.
SHORT
INTERVIEW WITH SIAM KIDS



8 Universities / Estimate eyeballs : 100k



LOVEIS CAMPUS TOUR : FRESHY NIGHT

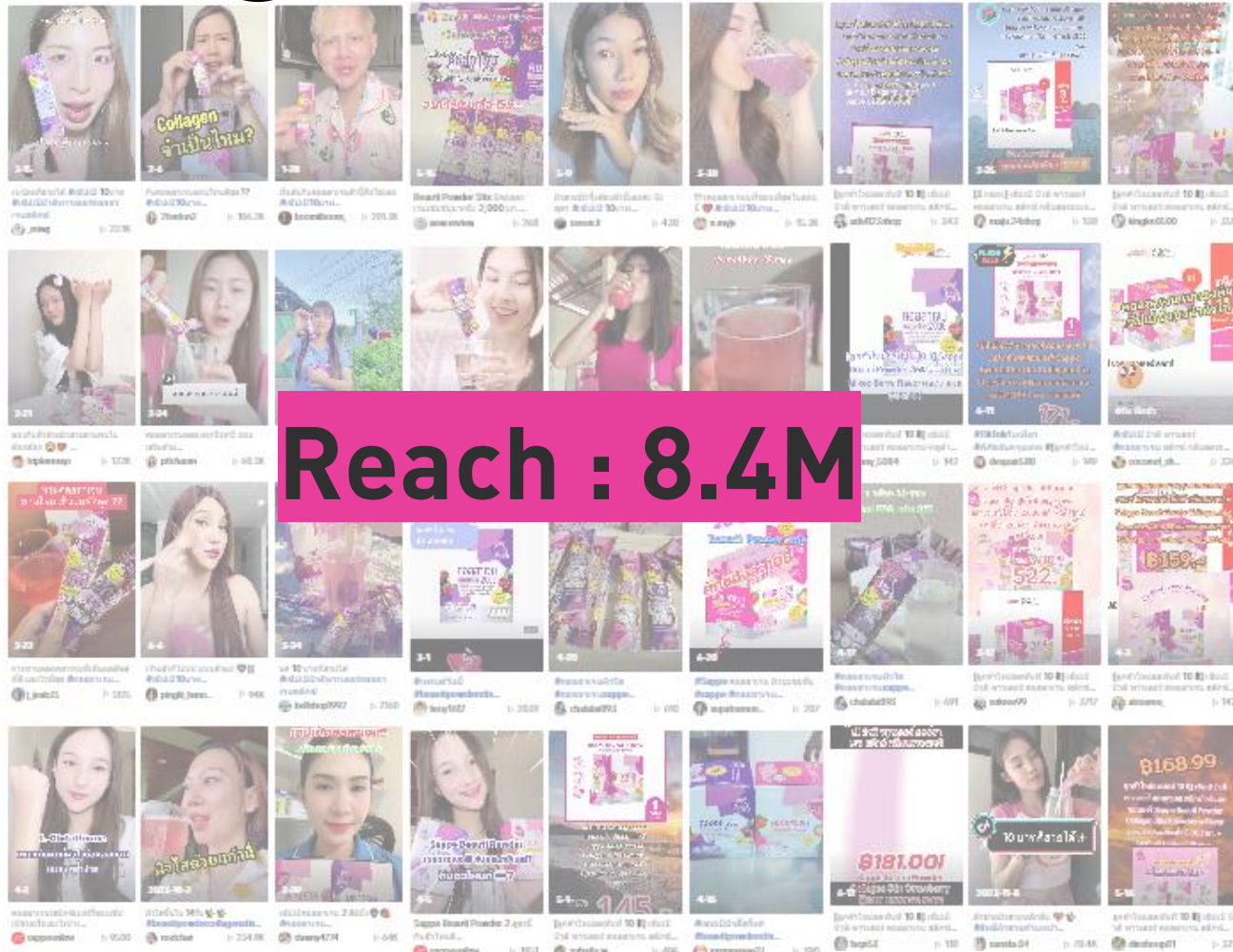




MARKETING ACTIVITIES



GAIN MORE REACH



Drive online awareness to 7-11



Increase visibility all channels



DURBELL

BIG C

7-11

บุลูแค่จิบก็รู้สึกรัก

Q3' 2024

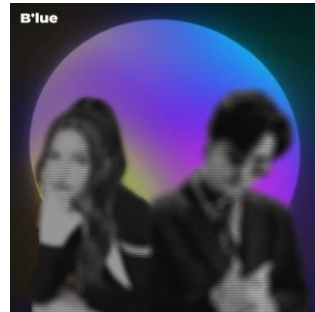
Friend of
B'lue
School Tour



บุลูแค่จิบก็รู้สึกรัก



Social Media Post



Bombarding via TikTok influencer



O2O
Activities

Youtube Tie-in



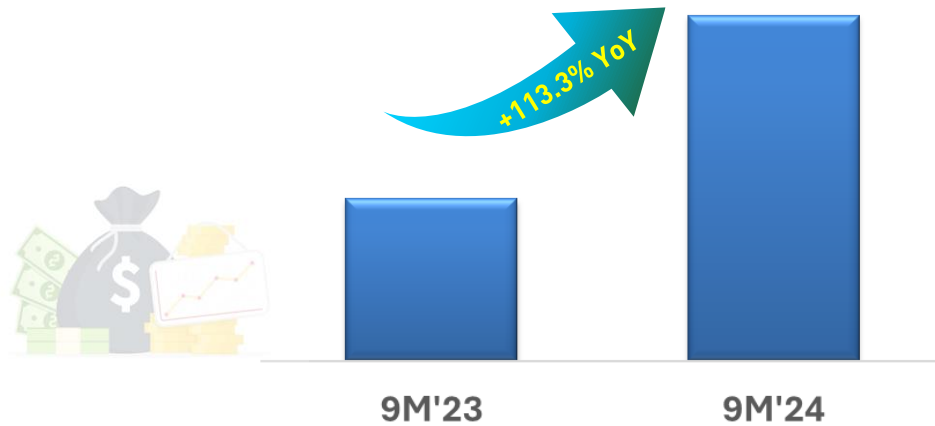
คำต้องเขียน EP.104 x WHOOP Music | บทกำลัง
529K views · 2 weeks ago
บทกำลัง



School Tour x What the duck



e-Commerce



Platform's visibilities / Co-campaigns



#Best Seller

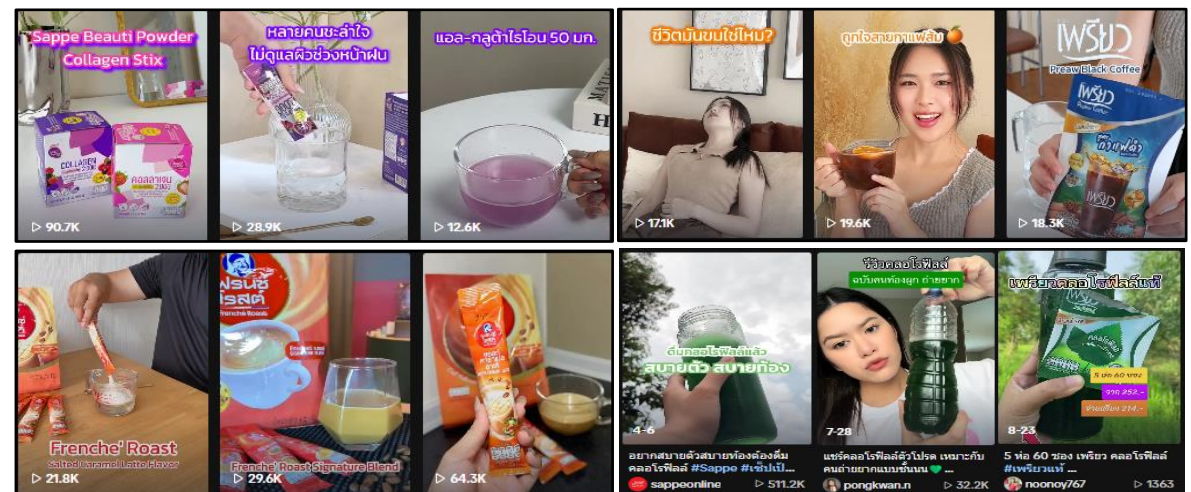


Special Collaboration

Premium gift x Happy Sunday (Online Exclusive)

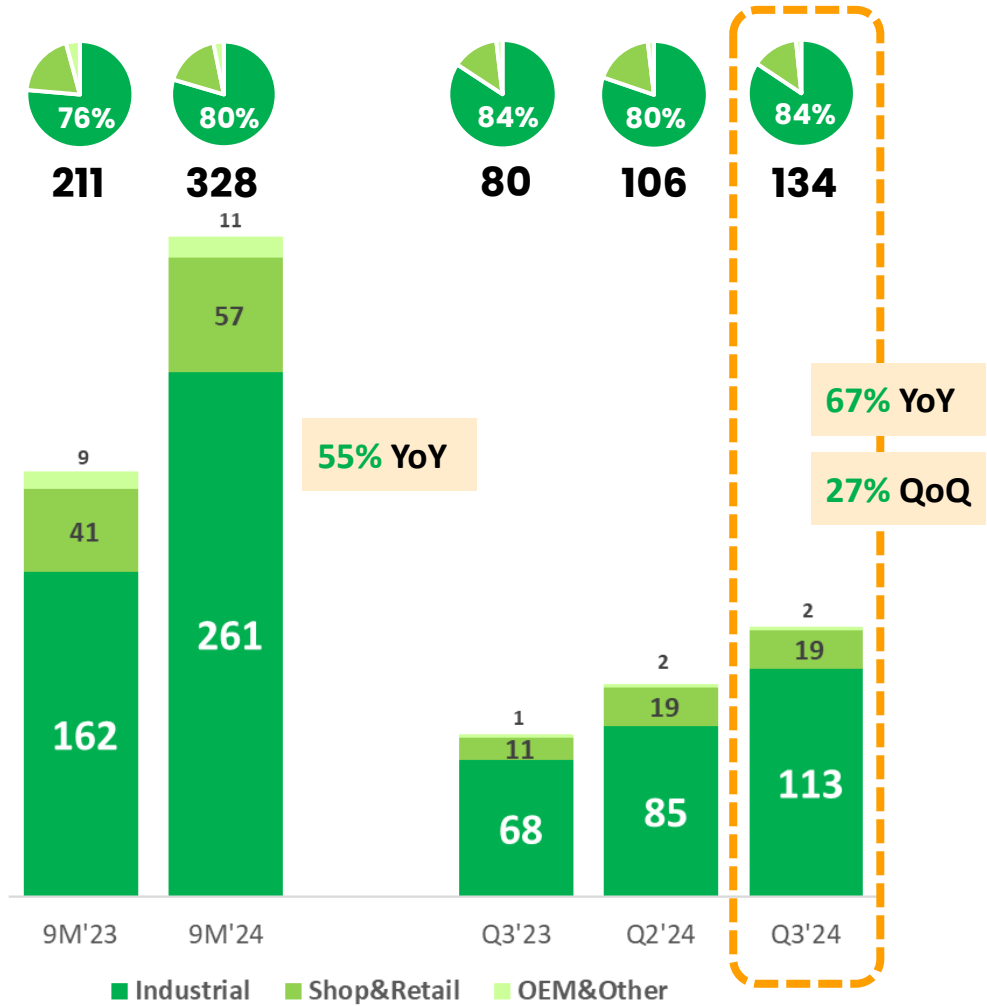


Influencer review / Own's contents

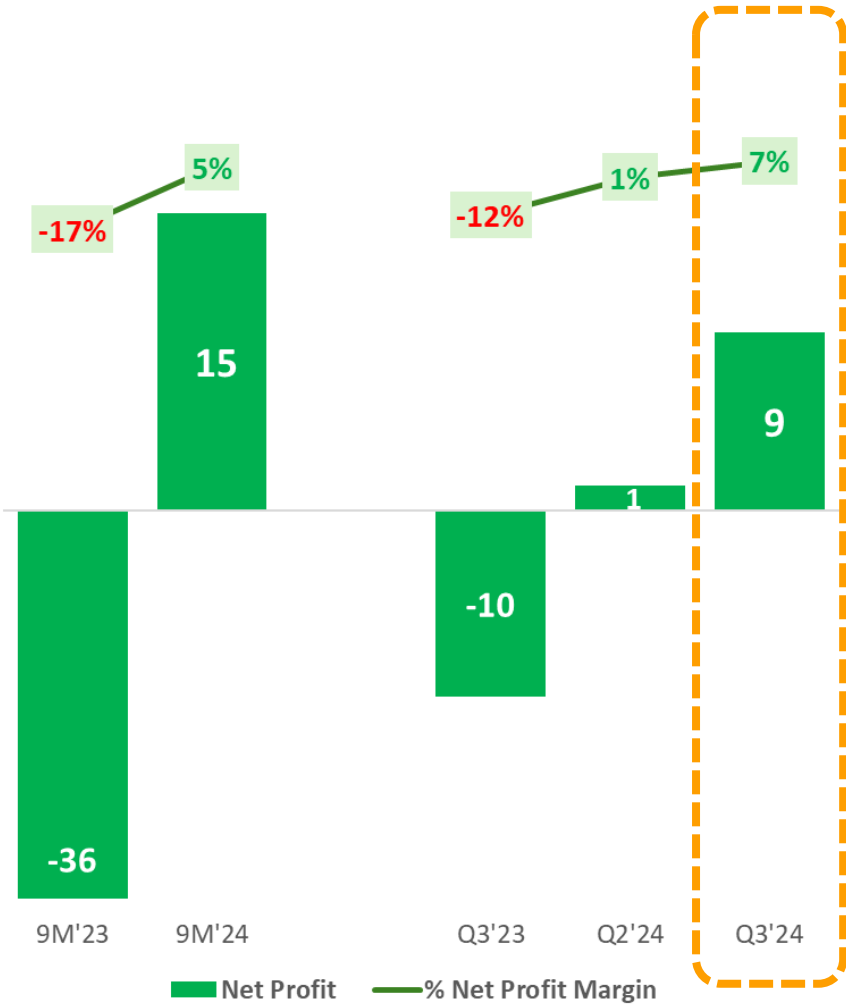


OUTLOOK : ALL COCO Q3'2024

Revenue



Net Profit



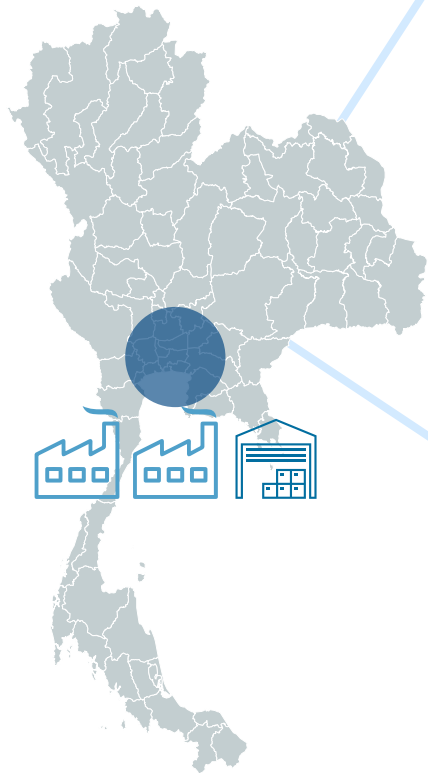
Total Revenue from selling goods in Q3'2024 was at 134.4 mb or +67% YoY, from Industrial + 67%, Shop&Retail +68%, OEM&Other +47%



Production Facility

State-of-the-art Production Facility to Support Growth

Utilization rate:
50%*



Klong 13 factory

2 Manufacturing buildings



5

Beverage lines



7

Powder filling lines



3

Pouch lines



In-house PET
bottling



Enterprise resource
planning system

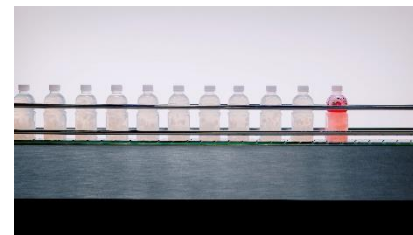


Current Warehouse

8,000 Sqm

New Warehouse

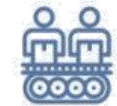
26,000 Sqm



Projects under construction



New **manufacturing plant & +8,500 sqm warehouse space** in TH



2 new production lines

- 2025 > **(+25-30% YoY)**
Project Value 1,630 mb.
- 2026 > **(+20-25%YoY)**
Project Value 750 mb

Total production capacity:

c.202k
tons p.a.



c.329k
tons p.a.



BOI Privilege



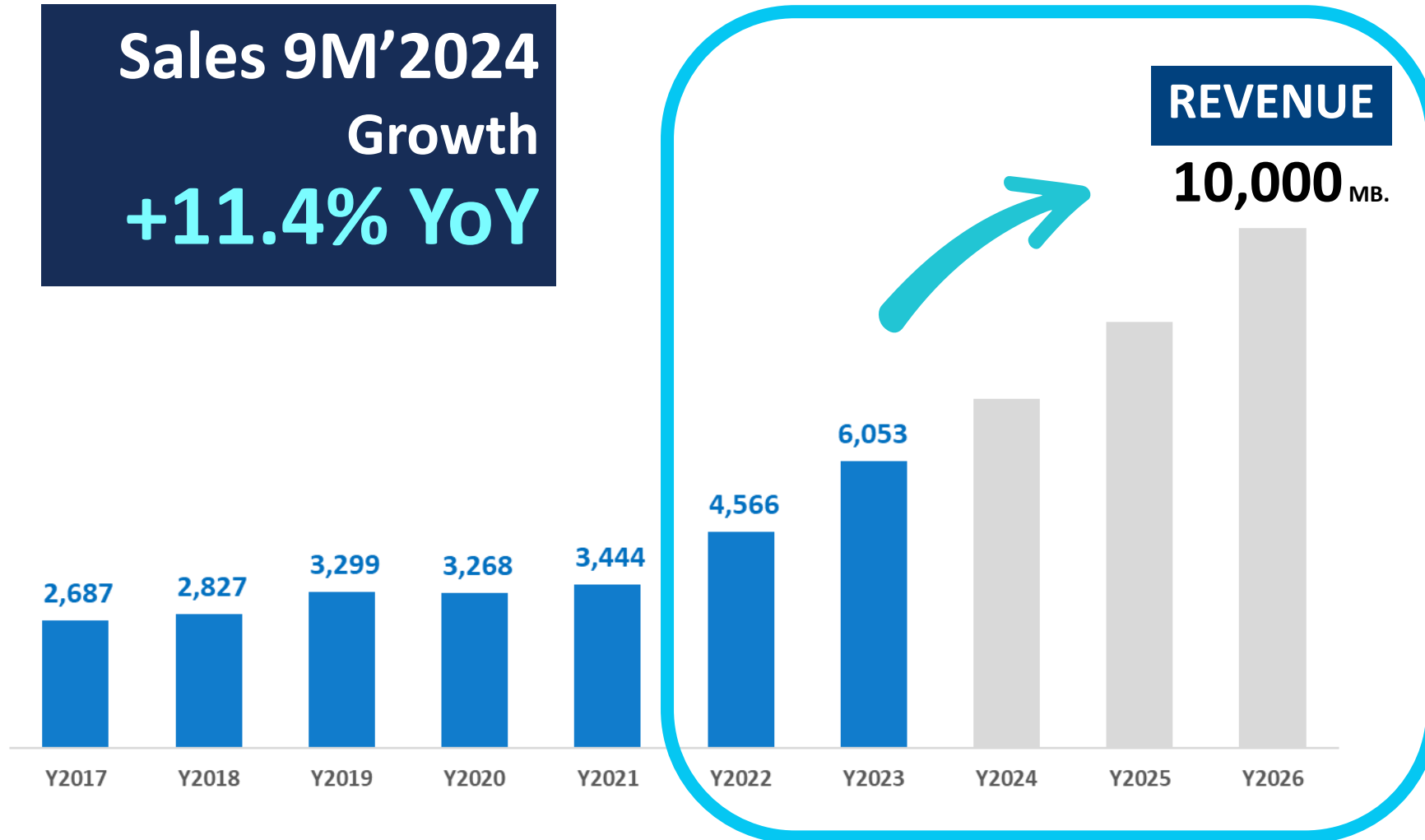
Tax Privilege approved by BOI with value of

THB 274.85 million for 5 years



Target Growth 2022-2026

Sales 9M'2024
Growth
+11.4% YoY



2025 Outlook



INTERNATIONAL BUSINESS

Brand Globalization: Korea First



Strategic channel Expansion



Diversify portfolio



Future Growth



DOMESTIC MARKET

Grow base brands



NPD focused



Collaboration



Future Growth



GROWTH
+15-20%
YOY

A background image of outer space featuring the reddish-orange horizon of Mars in the lower right corner and numerous bright stars scattered across the dark sky.

SAPPE'S Sustainability



Sappe Sustainable Policy



Economic

Build Sustainable Economic Growth



Social

Promote Quality of Life of Our Key Players to Grow Together



Environment

Promote Sustainable Environment with Innovation and Technology

Good Governance

We Better People's Lives
Through Our Innovative Spirit

“เราจะทำให้ชีวิตของผู้คนดีขึ้น
ผ่านจิตวิญญาณ
ที่สร้างสรรค์ของเรา”



Climate Action

Affordable & Clean Energy

Solar Floating on 21,904.30 sq.m. of treatment wells behind SAPPE and 21,362 sq.m. of Solar Rooftop are part of efforts to reduce greenhouse gas emissions due to global warming and climate change that large corporations are currently focusing on.



Sappe Packaging

Mingyu | Seventeen



Apart from continuously launching innovative products, we are always seeking new ways to make our operations better for the planet. We've made progress by adopting packaging solutions based on the Circular Economy, contributing to sustainability and the fight against climate change



100% LABEL

PVC >> PET



Sustainable Packaging & Eco Design



13 CLIMATE ACTION





Q&A

SAPPE



WWW.SAPPE.COM



Sappe Playground



lifeatsappe



Sappe



@sappeonline



sappe



sappeplayground