

**Q2**  
2023

**Opportunity  
Day**

29<sup>th</sup> Aug 2023



## Financial Highlight

Despite the competitive challenge of overseas, KISS managed to deliver revenue and net profit up YoY



### Revenue and Net profit up YoY (+24.3%, +2.4%)

- Domestic sales showed impressive growth of 53% YoY, driven by skincare remained robust with 31% YoY growth and revenue from color cosmetics from the initiatives of Sis2Sis new full-size series.
- Altogether, KISS recorded a net profit of THB 31.4 million, with a net profit margin of 13.2%.

## Business Highlight

Innovations & Visibility Development



- Rojukiss skincare has improved its sell out on facial moisturizers by an increase of 30% YOY faster than market growth in Q2/23, maintaining its position as no.6 leader followed top 5 international brands.
- Continued to grow in domestic market across all channels both offline and online.
- Evaluating a new strategic model for the current overseas markets and exploring other Asian countries both online and offline e.g. China, Philippines, and Malaysia.

## Development Highlight

Invest for long-term growth



- Increase awareness of brand and products through marketing activities both offline and online.
- Anti-Gravity Cream becomes BEST Selling SKU with effective marketing strategies and a compelling product introduction.
- Investing for long-term growth by ongoing integrated marketing investment.



# AGENDA



## FINANCIAL PERFORMANCE



2023 Outlook



Q&A

# FINANCIAL OVERVIEW

(THB mn, %)	Q2 2023	%	Q2 2022	%	YoY (%)	Q1 2023	%	QoQ (%)	6M 2023	6M 2022	% gr.
Revenue from sales and service	238.5	100.0	191.9	100.0	24.3	207.0	100.0	15.2	445.5	360.9	23.4
COGS	(107.1)	(44.9)	(86.2)	(44.9)	24.2	(98.7)	(47.7)	8.5	(205.8)	(166.7)	23.5
Gross profit	131.4	55.1	105.7	55.1	24.3	108.3	52.3	21.3	239.7	194.3	23.4
EBITDA	43.0	18.0	42.4	22.1	1.4	55.5	26.9	(22.5)	98.6	70.6	39.7
Operating Profit *	31.4	13.2	24.6	12.8	27.6	32.8	15.8	(4.3)	64.2	64.6	(0.6)
Net Profit	31.4	13.2	30.7	16.0	2.4	40.8	19.7	(23.0)	72.2	49.9	44.6
Profit Attributable to the Company**	27.4	11.5	31.4	16.4	(12.7)	26.9	13.0	1.5	54.4	53.0	2.6
Basic Earnings per Share (Baht)	0.05		0.05			0.04			0.09	0.09	

Note: \* Operating Net Profit (excluding one-time item) was not include

1) A Partial settlement for doubtful accounts receiving approximately Baht 8 million in Q1/2023.

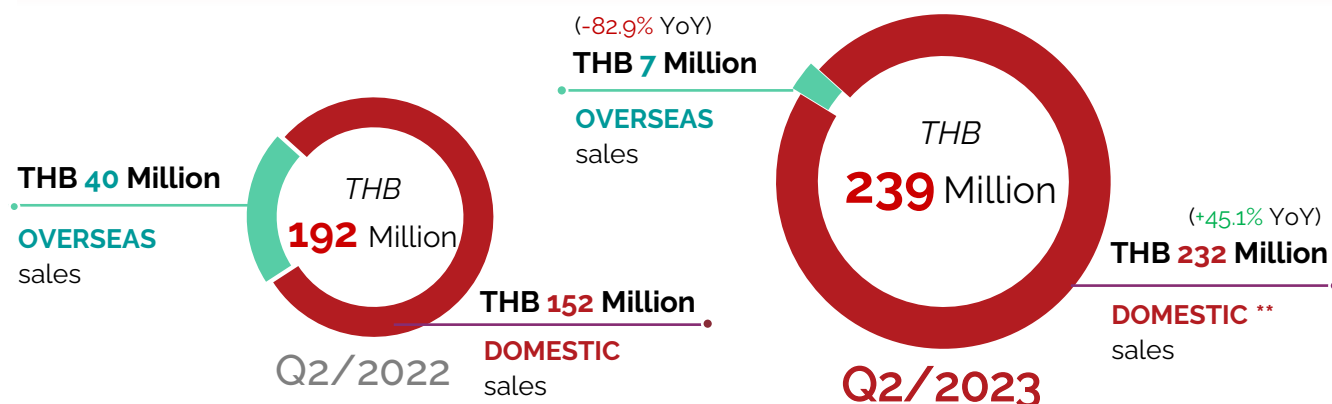
2) Allowance for doubtful accounts for advisory service fees for Sis2Sis brand in Indonesia of approximately Baht 7.0 million in Q1/2022 and Baht 7.6 million in Q2/2022

3) Net profit sharing from acquisition of additional shareholder of Baht 9.1 million in Q1/ 2022

\*\* Excluding Non-controlling interest (NCI)

## Q2/2023 Operating Revenue Breakdown Contribution

(Unit: THB mm, %)



Note: \* Domestic sales includes revenue from Hibiocy (Nasal spray product)

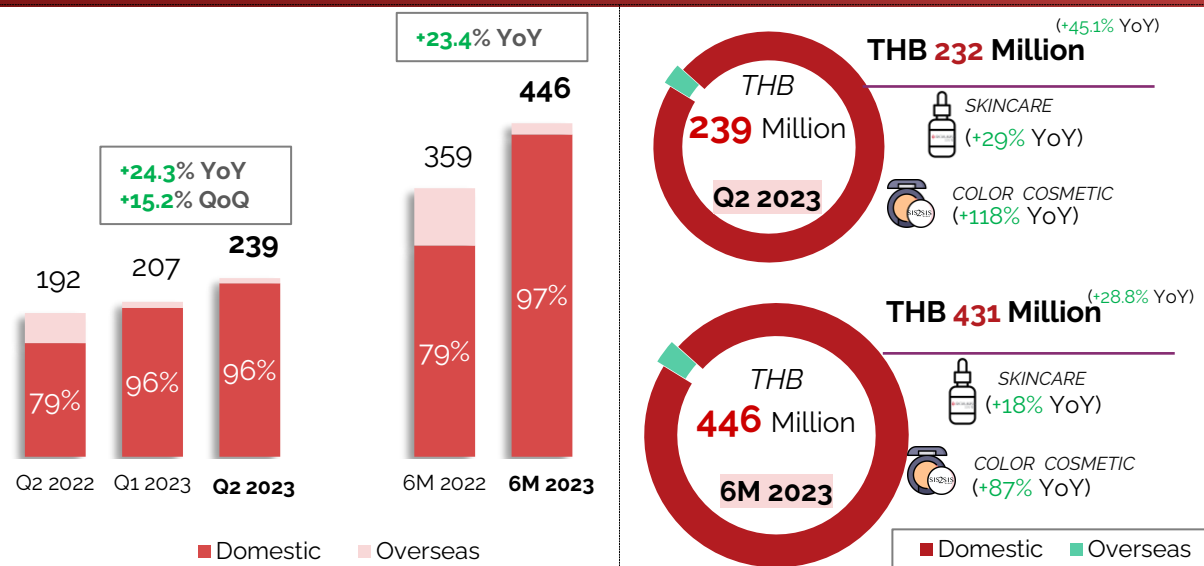
## Key Performance Factors

- KISS's operating revenue for Q2/2023 reached Baht 238.5 million, an increase of 24.3% YoY due to the significant growth of KISS's core brand, new product introductions, and sales promotional and full marketing activities that focus on both offline and online channels to support long-term growth.
- Net Profit for Q2/2023 reached Baht 31.4 million, an increase of 2.4% YoY due to the improvement in both sales and gross margin. While excluding one-time items, KISS's operating profit increased 27.6% YoY.

# FINANCIAL SUMMARY

(Unit: THB mm, %)

## REVENUE



Note: \* Domestic sales includes revenue from Hibiocy (Nasal spray product)

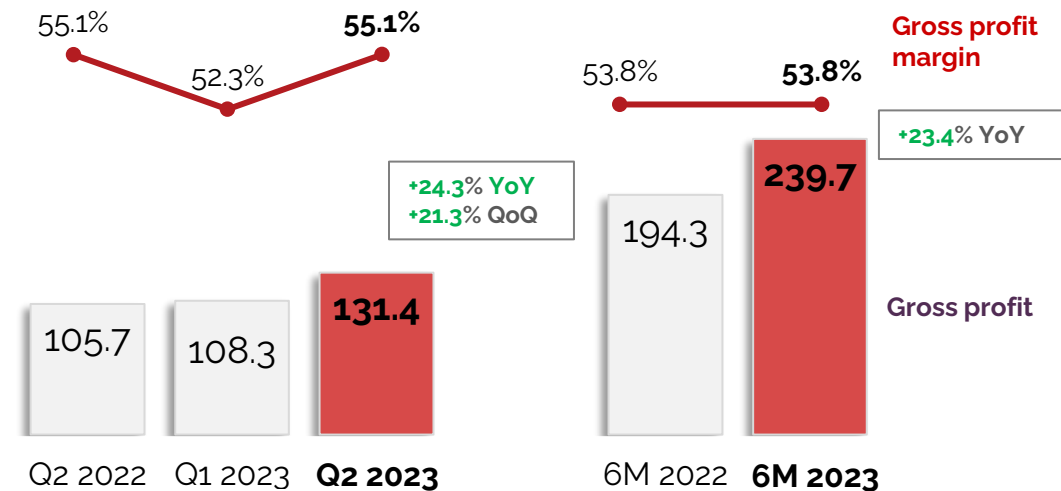
### Revenue from sales and services of Q2/2023 was Baht 238.5 million, an increase of 24.3%YoY

- Domestic revenue increased by 45.1% YoY, driven by Rojukiss skincare and Sis2Sis color cosmetics were grew by 29.3% and 118.4% respectively, The growth was mainly from new product launches and integrated marketing activities contributed to continuous brand recognition. While overseas fell by 82.9% YoY due to competitive challenges in Indonesia. However, KISS's evaluating a new strategic model in the present market and focusing on exploring other Asian markets, with a revenue contribution expected by the end of this year.

### Revenue from sales and services for 6M/2023 was Baht 445.5 million, an increase of 23.4%YoY

- Domestic revenue increased by 28.8% YoY due to the revenue growth of core brands, as noted above in Q2/2023 performance. While nasal spray products have demonstrated consistent growth.

## GROSS PROFIT MARGIN

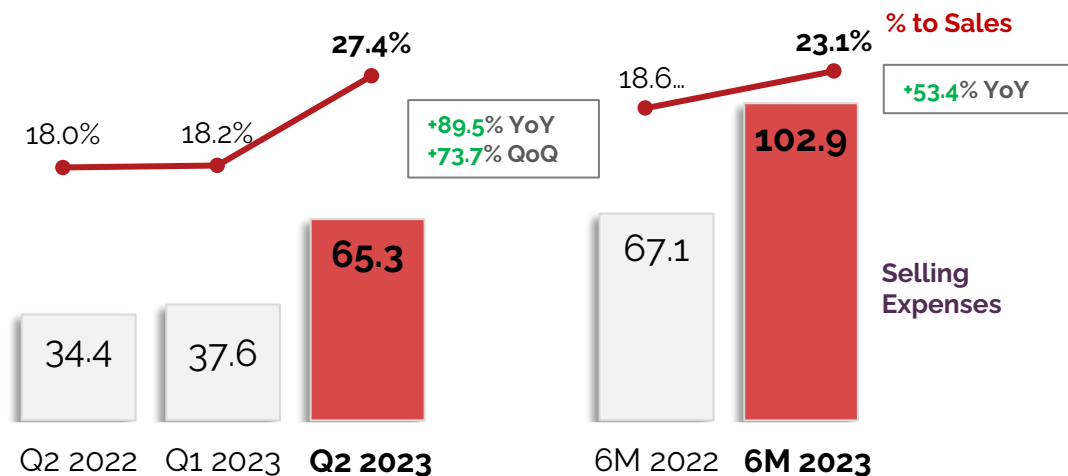


**Gross Profit of Q2/2023 was Baht 131 million, representing 55.1% gross profit margin** (Q2/2022: 55.1%); maintained the profitability level even though the USD exchange rate remains volatile, and the THB is likely to depreciate more than last year. However, the company manages to improve new product margin with proper pricing strategy and cost structure.

**Gross profit for 6M/2023 was Baht 239.7 million, representing 53.8% gross profit margin** (6M/2022: 53.8%); maintained vs. the previous year with the appropriate price setting and efficient negotiation of product cost, despite the above-mentioned fluctuations in the exchange rate. Moreover, efficient product portfolio management also helps maintain gross profit margin.

# FINANCIAL SUMMARY

## SELLING EXPENSES



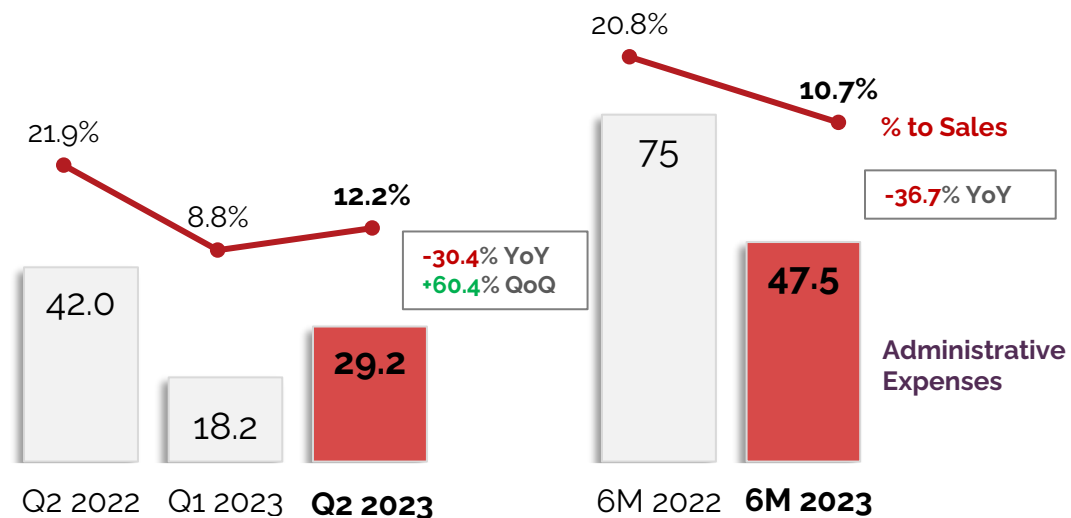
**Selling expenses of Q2/2023** were Baht 65.3 million, an increase of 89.5% from the previous year mainly from

- Higher marketing expenditure as part of the 2023 growth strategy. The proportion of advertising and promotion to sales was 20.5%, aligning with the historical investment ratio before the COVID-19 outbreak. By increased investment in efficient marketing activities across offline and online platforms to support sustainable growth.

**Selling expenses for 6M/2023** were Baht 102.9 million, an increase of 53.4% from the previous year mainly from

- Marketing expenditure as mentioned above. The proportion of advertising and promotion to sales was 16.0% up from 11.1% last year due to investment in integrated marketing.

## ADMINISTRATIVE EXPENSES



**Administrative expenses of Q2/2023** were Baht 29.3 million, a decrease of 30.4% from the previous year mainly from

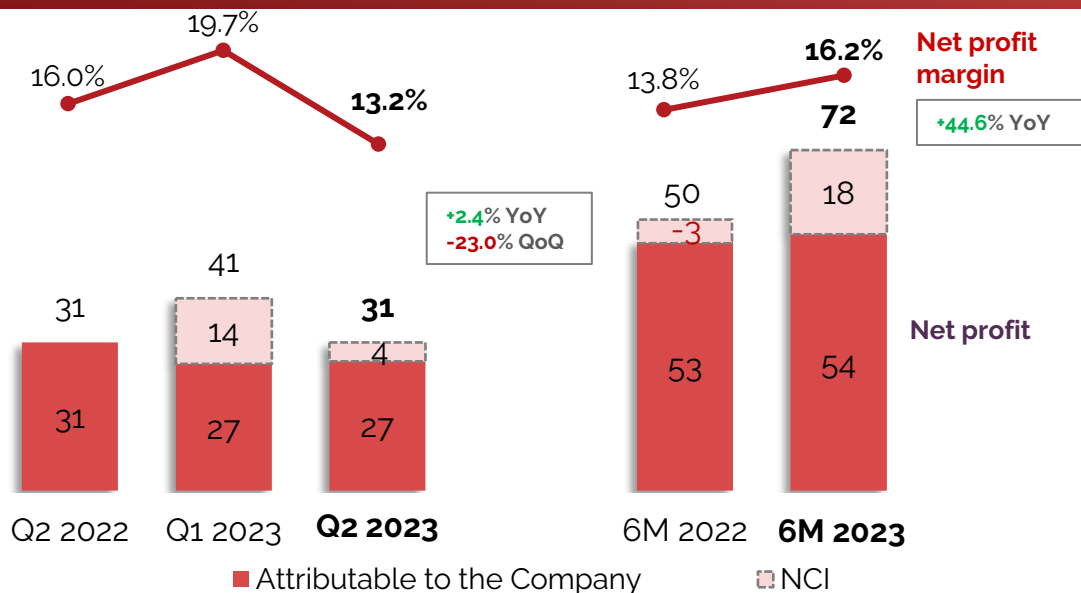
- Record of an allowance for doubtful accounts amounting to Baht 7.6 million in Q2/2022. This allowance was fully provisioned in 2022, thus there is no additional allowance this year. Apart from the mention of allowance, other costs decreased as a result of the decline in subsidiary operating expenses.

**Administrative expenses for 6M/2023** were Baht 47.5 million, a decrease of 36.7% from the previous year mainly from

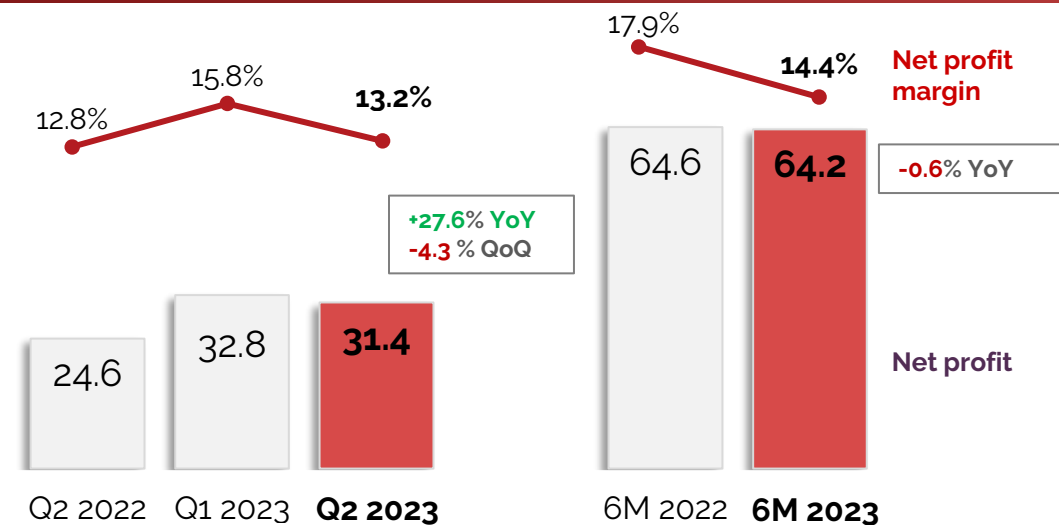
- Record of allowance for doubtful accounts of consulting services for Sis2Sis brand in Indonesia, totaling of Baht 14.8 million in 1H/2022. However, in Q1/2023, the Company received partial payments, amounting to 8 million baht so there was gain from reversal provision.

# FINANCIAL SUMMARY

## NET PROFIT



## OPERATING NET PROFIT



**Net Profit of Q2/2023** was Baht 31.4 million, an increase of 2.4% YoY mainly from:

- The improvement in both sales and gross margin, while a net profit margin stood at 13.2%, decreased from 16.0% last year due to the recognition of profit from step up acquisition net off with share of loss from joint venture amounting of Baht 6.1 million last year
- However, if excluding one-time items as mentioned above, **Operating net profit** showed an increase of 27.6% from last year.

**Net Profit for 6M/2023** was Baht 72.2 million, an increase of 44.6% YoY

- Net profit margin stood at 16.2%, increased from 13.8% last year from sales growth of existing products and new product launches as well as the expansion of distribution channels that reach consumers, and full marketing activities along with the effective cost and selling and administrative expenses management.
- However, if excluding one-time items, **Operating net profit** maintained same level as last year.



# AGENDA



Financial Performance



**2023**  
Outlook



Q&A



# KISS STRATEGY

## Expand to H&B with Winning Brand Portfolio

- Drive Rojukiss to be a Powerhouse brand in Beauty
- Build 2<sup>nd</sup> / 3<sup>rd</sup> pillar brands in Beauty
- Enter into Health

## 'Champion Thailand, Expand Asia'

- Accelerate growth in Indonesia and Vietnam
- Strengthen Cross Border distribution including exploring China



## Lead 'Convenience H&B' Innovation

- Continuously launch NPDs – Accessible with high value for money

## Solidify 'Selling Channels & Coverage'

- Grow distribution points and share of shelf across channels
- Aggressively expand presence on-line

# KISS STRATEGIC DIRECTION



**2022**

## Strengthen Foundation for Growth

- ✓ Invest in Marketing with priority on Rojukiss & skincare
- ✓ Enter (Serious) Health with medical device innovation
- ✓ Expand Online E-com channel
- ✓ Explode Indonesia



**2023**

## Enhancing Strong Growth



**2024**

## Fully Expand and Diversify

- ✓ Rojukiss to reach Baht 1 Bn
- ✓ Diversified Beauty Portfolio
- ✓ Expand Health – skus and geography
- ✓ Balanced Distribution Channels offline and online (15% sales target)
- ✓ Fully expand Overseas focused Indonesia and Vietnam

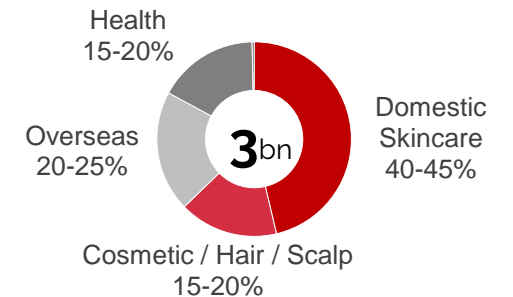


Sales  
**3 Billion Baht**

**2026**

## Health and Beauty Solution in SEA

### By Business Line

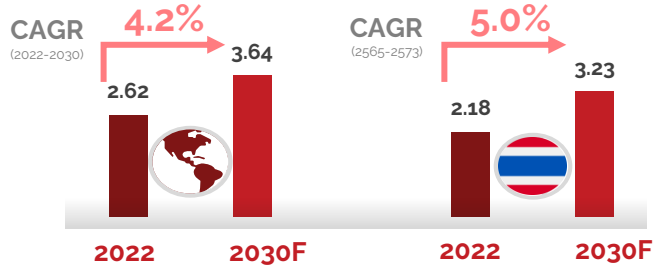


### By Channels



# KISS PLANS TO CONTINUE ITS STRATEGIES IN 2H/2023

Following the Positive Outlook In Market Share and Sales



## Global VS Thai Beauty & Personal Care market Growth between 2022-2030

Thailand's beauty sector is expected to grow by 5.0% CAGR from 2022 to 2030, with skincare products segment owning the highest market share following the pandemic, particularly, facial beauty is making a strong comeback, bringing enticing opportunities for brands

Source: Krungthai COMPASS

% Sales Growth vs. YA	2022	Q1 2023	Q2 2023	June 2023
Facial Moist category	+9.2	+25%	+15%	+13%
Rojukiss	-8.1	+10%	+30%	+47%

Source: Nielson Company Research

## ACCELERATED GROWTH for the 1H/2023

- ✓ **Introduce New Product Development // More than 50 SKUs**  
Mainly in Rojukiss skincare with new launch of Rojukiss Clinical Grade and Sis2Sis color cosmetic with new full-size
- ✓ **Fully Integrated Marketing Investment**  
Rojukiss displays effective marketing activities both offline and online corresponding to the relaxation of COVID-19 and market rebounded  
*Offline* – through TV commercials, TV programs, Out of Home media, and product launch events.  
*Online* – through KOL (Key Opinion Leaders), Online Advertising, and E-commerce Live.
- ✓ **Product Accessibility**  
Improved in-store or retail execution by getting display space to attract consumers, and improve brand/product visibility.

## 2H/2023 MARKETING PLAN FOR GROWTH

- ✓ **Maintaining its marketing plans consistency**  
More focus on digital and social media platforms
- ✓ **Enhancing opportunity to grow in E-commerce**  
Ramping up sales capability from live streaming in E-commerce and Social commerce
- ✓ **Overseas Outlook**  
Considering a new strategic model in the existing market and working on expansion into new international markets e.g. China e-com, Philippines, and Malaysia

### Rojukiss grew faster than the market in Q2'23

- Since starting full marketing in March 2023. Rojukiss skincare sales has increased by 30%, outperformed market growth
- **Maintained rank No.6** for market share behind International brands

### Impressive growth in June

- **In June 2023**, KISS hit the highest % sell out growth, driven by the efficient in marketing & promotion investment and innovative products

### Anti-gravity cream is a key change

- **Anti-gravity cream** under Clinical Grade series led to significant growth in overall sales. This encouraged KISS to further expand by introducing the UV cream and serum

# รุกต่อเนื่อง เพิ่มโอกาสด้วย สินค้าใหม่ ที่ใช้เพิ่ม ใช้คู่กัน

**CLINICAL GRADE**

**ANTI-GRAVITY  
FACE EYE NECK CREAM**



**SPF 50 PA++++**

**FACE EYE NECK  
UV SUN SERUM**



**CLINICAL GRADE**

**ANTI-GRAVITY  
FACE EYE NECK SERUM**



# AMPOULE: The New Generation of Skincare

Experience the new advanced technology of Rojukiss  
Unlock the next level of skincare with "**AMPOULE SERUM**"

รู้เข็ดผิว ดูขาวเนียนใส  
อิมน้ำจำโกลว์ **แบบผิวกระจก**



## WHITE PORELESS

### SKIN RESET AMPOULE SERUM

ลดเลือนริ้วรอย  
ทั้งรอบดวงตา และใบหน้า

## HYALURON AMPOULE

### EYE FILLER FOR FACE

สูตรรวมพลังเหนือกว่า เต็มใต้ตาเต็ม **อัพหน้าฟู**  
**เต่ง** เปล่งประกายได้งานผิวกระจก **Glass**  
**Skin** เทรนด์ผิวสับจบบผิวเกาหลี

- **อัพผิวฟู 8 HYALURON** ไฮยาลูรอน 8 โมเลกุล ช่วยเติมริ้วรอยลึกให้อิมฟู
- **เฟิร์มผิวตึง** กระชับรูขุมขน **FLEXIBLE BIO** นวัตกรรมยกกระชับผิวจากธรรมชาติ **รู้สึกได้ตั้งแต่ครั้งแรกที่ใช้!**
- **พาดความขาวกระจ่างใส** **NIACINAMIDE & PRE-PROBIOTIC**

เห็นผลจริง ผ่านการทดสอบทางคลินิก



# CREAT STRONG BEAUTYCARE BRAND PORTFOLIO



# CREAT STRONG BEAUTYCARE BRAND PORTFOLIO

Beauty is one of the FASTEST growing consumer categories and we're very well-positioned to win



Upsize Sis2Sis brand to capture the new distribution growth and consumer trends



**Positioning strategically by creating "Own shelf space"**

**+200 Own Shelf Space**

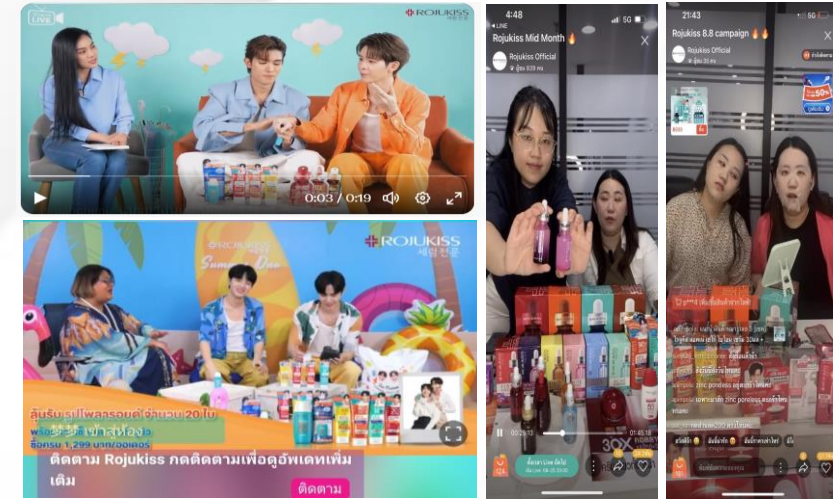
- Strengthen Distribution Channels By Own Shelve Space Currently > 200+ new own shelve stores in Modern Trade stores especially in Watsons and EveandBoy



**launching "New full size" to offer a wide range of product choices**

**New Full Size** was launched in Q1/2023 in the same concept as Skincare and Mask as an Affordable product with good quality

- On plan for launch "New Size" series to support the expansion target and fulfill the makeup consumer journey



**Accelerate Sales Growth From E-commerce Live**

**Using presenters and influencers** for live, interactive commercial broadcasts on e-commerce platforms to increase the sale conversion rate by capturing consumers' trends



Please scan below to provide us with your feedback



IR Contact Email  
[ir@rojukiss.com](mailto:ir@rojukiss.com)

*Thank You*