



# 3Q2024 BJC Earnings Presentation

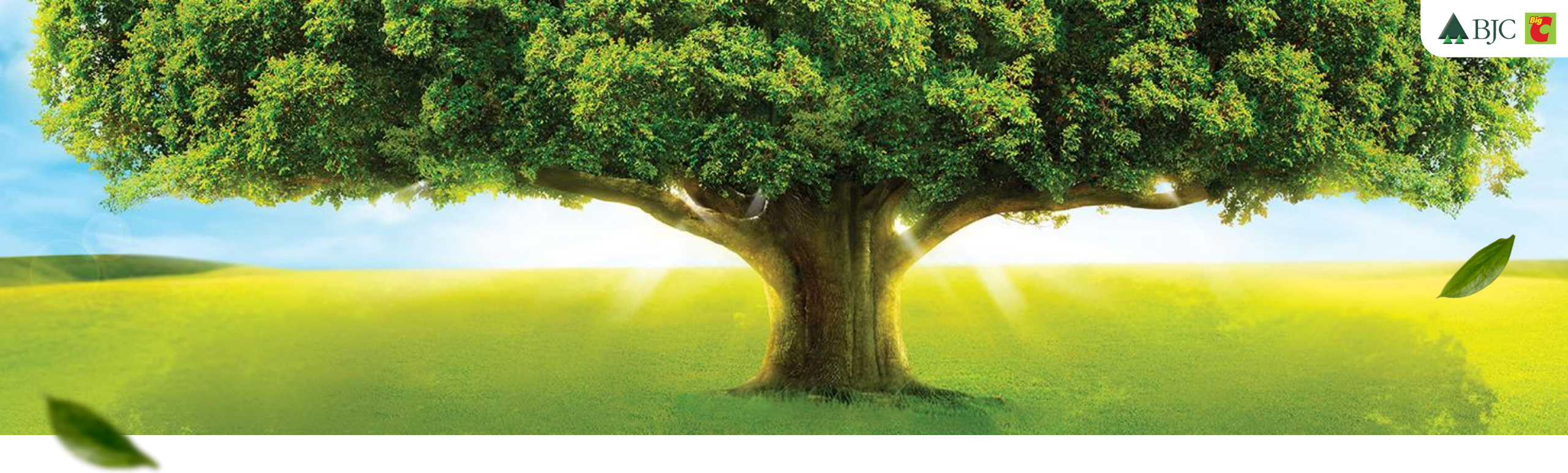
18 Nov 2024



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## | Disclaimer



# | Agenda

- **Key Highlights**
- **Financial Results**
- **Business Performance**
  - *Packaging Supply chain*
  - *Consumer Supply chain*
  - *Healthcare & Technical Supply chain*
  - *Modern trade retail Supply chain*
- **Appendix**



The section header "3Q24 Key Highlights" is centered in a white rectangular box. To the left of the text is a solid green vertical rectangle. The background of the slide shows a blurred office scene with people's hands and arms working on a table with various charts and documents.

# 3Q24 Key Highlights

# Our operating profit remain strong, leading to bottom line improvement

SALES

**38,534 MB**

+1.7% YoY



GROSS PROFIT MARGIN

**19.7%**

+55 bps YoY



Normalized NET PROFIT<sup>1</sup>

**905 MB**

+34.8% YoY



Normalized EBIT<sup>1</sup>

**2,825 MB**

+14.2% YoY



AVERAGE COST OF DEBT

**3.36%**

-4 bps QoQ



9M24 Cost saving

**448 MB**

**103.7%** progress

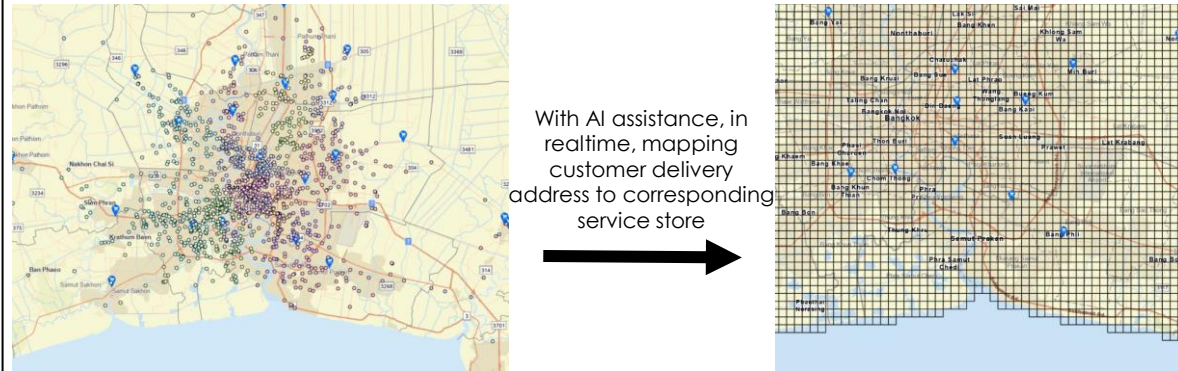


Note: <sup>1</sup>Excluding adjusted in respect of income tax and loss from foreign exchange



# Achieved 448MB or > 100% of cost saving target 432MB

## AI powered hub delivery model generating transport cost savings



Driving transport cost saving by increasing truck utilization and optimizing number of deliveries allocated to each store based on their capacity

## Energy efficiency and maximize utilization



Smart AI (ESIII) to minimize energy consumption and increase efficiency



Double-bin and stacked storage maximize warehouse space

## Production and procurement optimization



Reduce Base sheet reject



Central procurement i.e. carton

## Automation in production and BOI at factory



Automatic Case Former & Dozen Pack (BOI)



Installed an automatically fills liquid soap machine in Rubia



# Key Rewards and Achievements

**BJC bond of THB 13 billion  
4.7 times oversubscribed**



**Big C awarded ASEAN Enterprise  
Innovation Award: Data & AI Category**



**BJC received certification for ESG  
DNA by SET thru Employee training**

พิธีมอบเกียรติบัตร  
โครงการ ESG DNA



**Big C awarded "Gold" standard as  
seller of organic agricultural products**



**Big C awarded HR Asia Best  
Companies to work for in Asia 2024**



**Best Place to work certified by  
WorkVenture 2024**





# Our commitment on being Good

**WONDERMAN**  
BJC BIG C  
Be With You Charity Concert

ขอขอบคุณน้ำใจอันยิ่งใหญ่  
ของศิลปินจิตอาสา บริษัทค่ายเพลง พาร์กเนอร์ และผู้มีจิตศรัทธาทุกท่าน  
ทั้งนี้ศิลปินและมูลนิธิบีซี บิ๊กซี จะนำเงินบริจาคทั้งหมด  
โดยไม่หักค่าใช้จ่ายใดๆ ไปส่งมอบถึงยังชีพ ช่วยเหลือผู้ประสบอุทกภัยต่อไป

รวมยอดเงินบริจาคทั้งสิ้น

**1,225,174.03 บาท**

BJC Big C and volunteer artists held a charity concert to raise funds for flood victims



Use Big C store as a hub to assemble essential survival kits for flood victims

**Inclusion Toolkit  
for Organizations  
and Business**

LGBTQI+ Insights to Increase Inclusion for All

BJC has contributed to and collaborated with UNDP and Sasin to develop "Inclusion Toolkit"



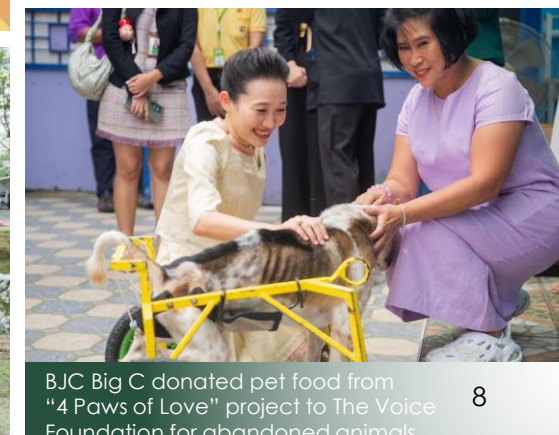
BJC Big C plants Yellow Star in Honor of His Majesty the King



BJC Big C donates aluminum for prosthetic production



"Biggy's club" child-friendly space @ 10 Big C stores



BJC Big C donated pet food from "4 Paws of Love" project to The Voice Foundation for abandoned animals





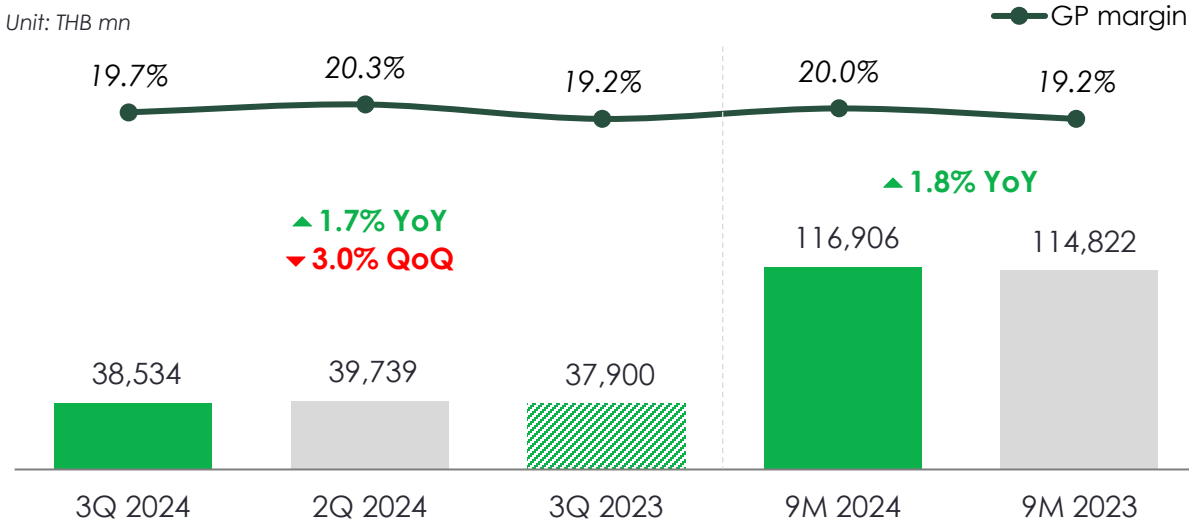
# Financial Results



# Overall Performance

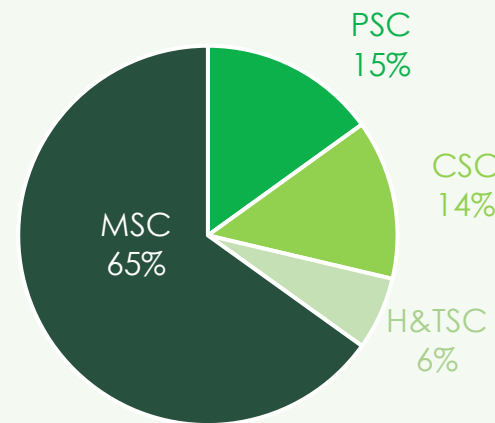
## Sales and GP Margin

Unit: THB mn

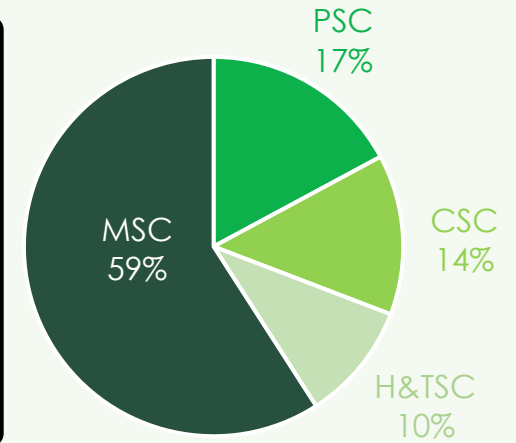


## Performance Breakdown

Sales

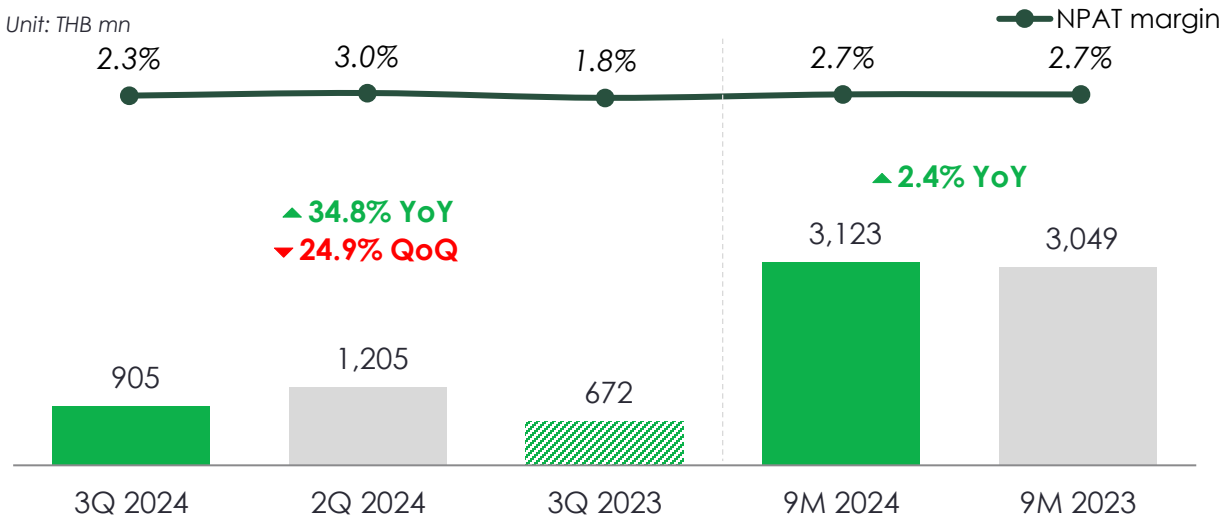


Gross Profit

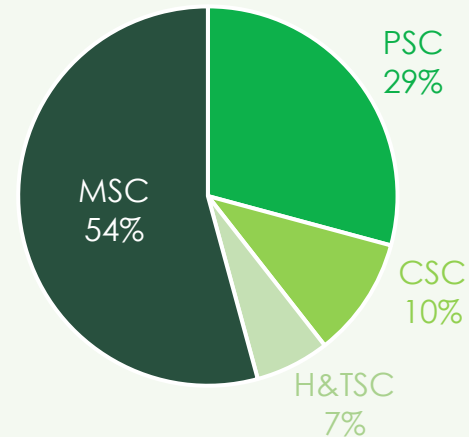


## Normalized NPAT and NPAT Margin<sup>1</sup>

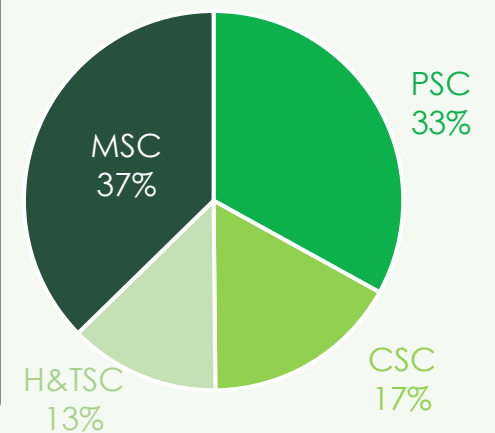
Unit: THB mn



EBITDA



Net Profit

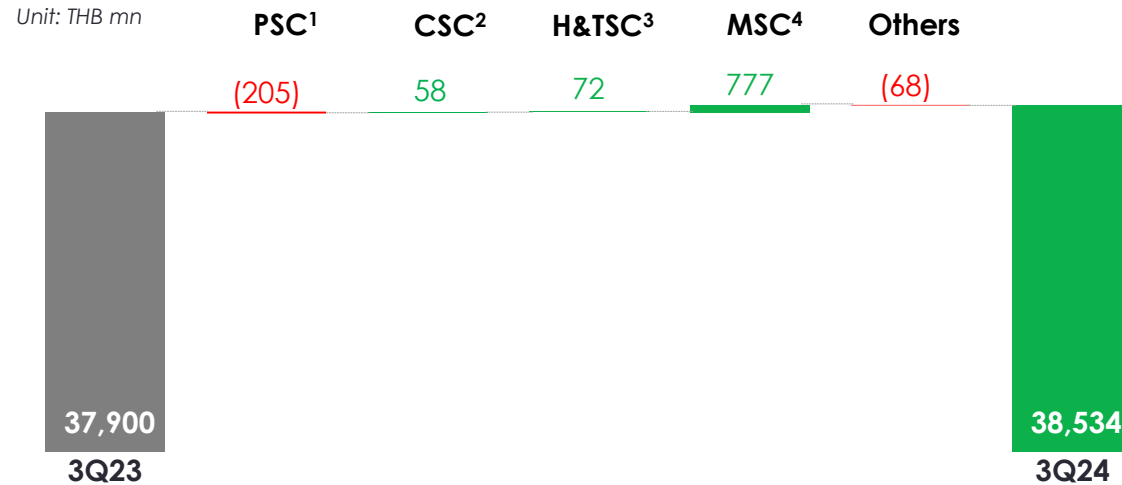
Note: <sup>1</sup>Excluding adjusted in respect of income tax and loss from foreign exchange



# 3Q24 vs. 3Q23

## Supply Chain Contribution

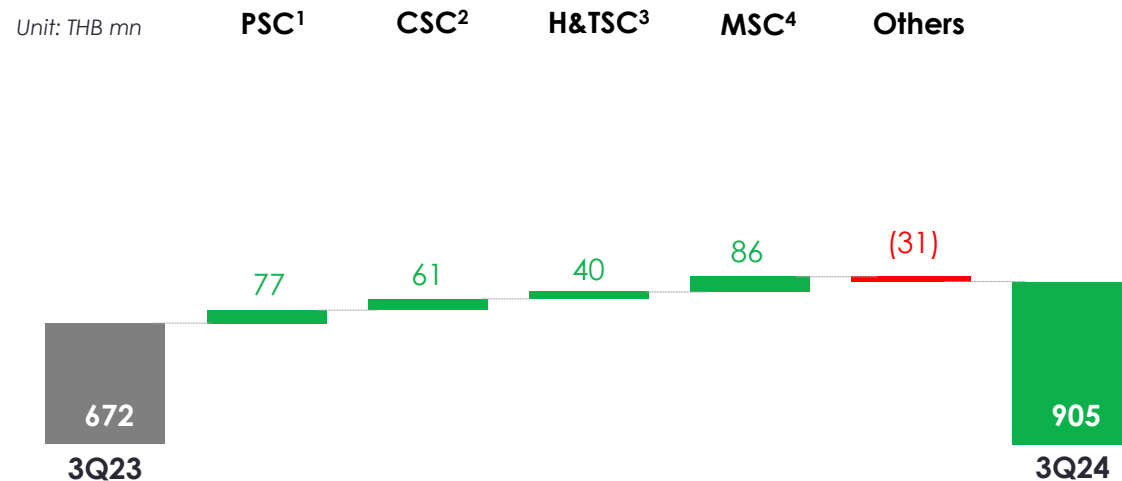
### Sales performance across supply chain



3Q24 consolidated sales of THB 38,534 million, an increase of THB 634 million or +1.7% YoY.

- **PSC's sales** decreased **-3.4% YoY**, driven by decreasing sales from both of Glass (lower raw material price) and Aluminum Can packaging (flooding in Northern of Vietnam).
- **CSC's sales** increased **+1.1% YoY**, driven by growing sales of Non-Foods Group. Personal care group sales growth from Parrot soap, new product (Hair care products, promise brand), and OEM products. Sales of owned brand paper also increased.
- **H&TSC's sales** increased **+3.0% YoY** driven by new products launched, and the continually released government budget.
- **MSC's sales** increased **+3.2% YoY**, driven by new store openings.

### Normalized Net profit performance across supply chain<sup>(1)</sup>



3Q24 normalized net profit of THB 905 million, an increase of THB 233 million or 34.8% YoY

- **PSC's net profit increase YoY** was driven by lower raw material price and cost saving initiative.
- **CSC's net profit increase YoY** by selling products with higher margins (Product mix).
- **H&TSC's net profit increase YoY** driven by higher sales and better product mix.
- **MSC's net profit increase YoY** mainly driven by sales mix and lower logistics cost.

Note: <sup>(1)</sup>Excluding adjusted in respect of income tax and loss from foreign exchange

<sup>1</sup>PSC - Packaging Supply Chain <sup>2</sup>CSC - Consumer Supply Chain <sup>3</sup>H&TSC- Health Care and Technical Supply Chain <sup>4</sup>MSC- Modern Retail Supply Chain





# Business Performance



# Packaging Supply Chain

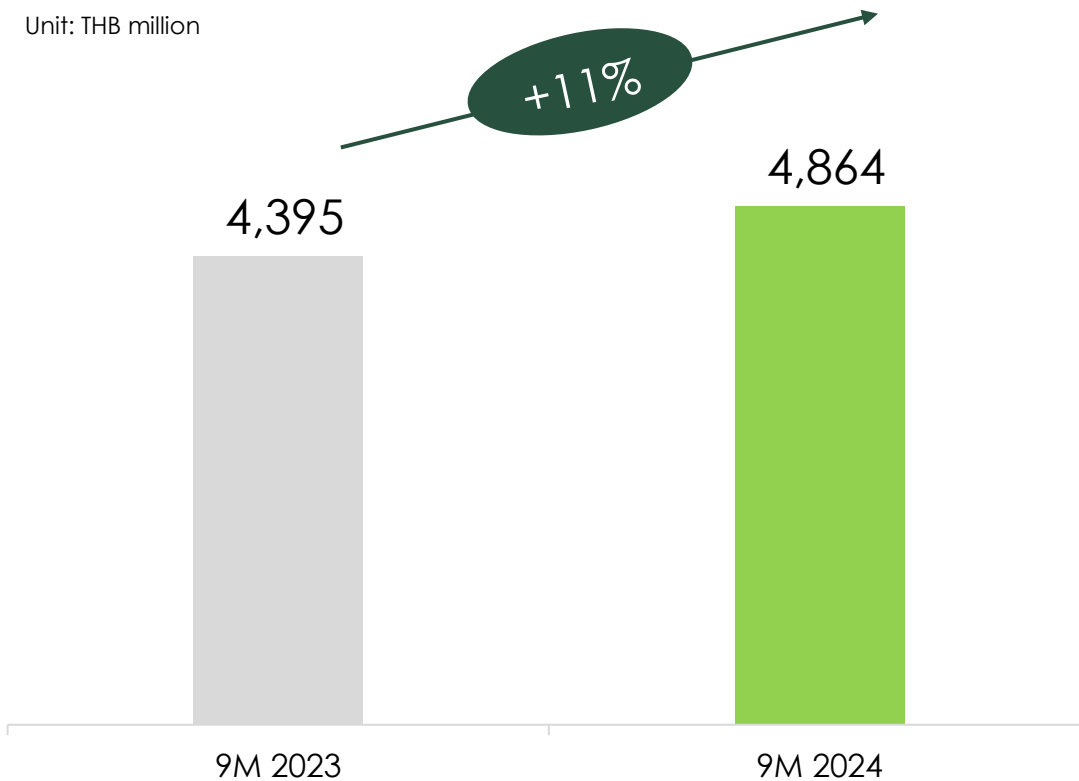




# 3<sup>rd</sup> party sales continued to rise while key raw material is on downward trend

## 3<sup>rd</sup> party customers maintain solid growth

Unit: THB million



**Growing 3<sup>rd</sup> party sales contribution**, especially in export and Pharmaceutical sales.

## Glass's key raw material and energy trend

LNG

Unit: USD



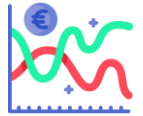
Soda ash

Unit: CNY/T



# Hedging discipline is key. Start to see benefit of stimulus and recovery in Vietnam in 4Q24

## Opportunity & Challenges



Volatility in Geo-politics and foreign exchange



Supply Capability



Conversion to Can such as CSD conversion from PET

## Can's key raw material price trend (> 80% hedged)



Source: tradingeconomics

## Outlook



Start to see stimulus kicking in



More government spending after the flood



Customer load in far Vietnam's Tet



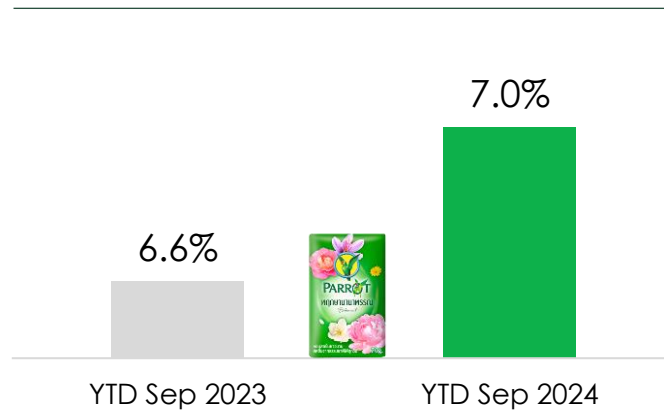
# Consumer Supply Chain



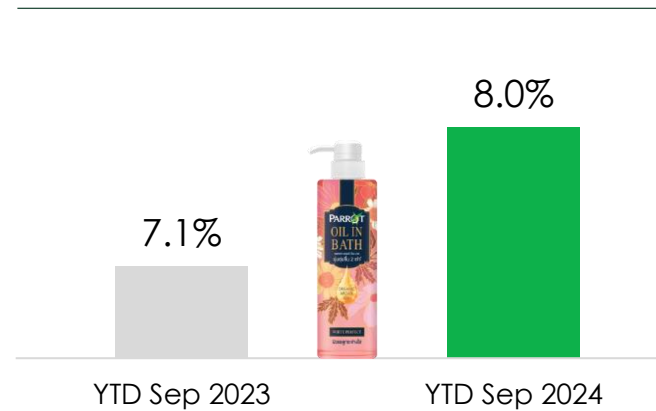
Note: Sales contribution excluded elimination

# BJC Consumer outperformed in all category

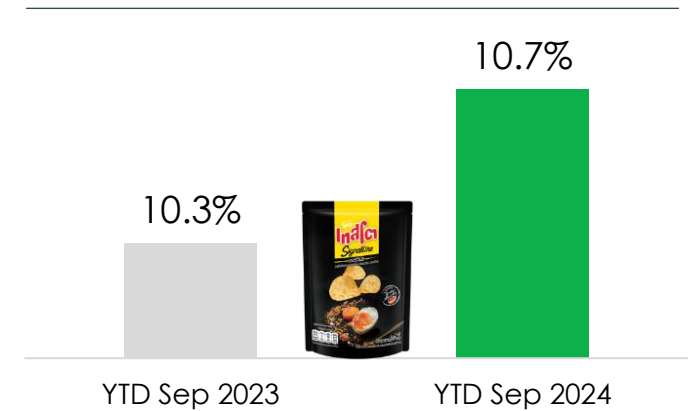
## Bar soap



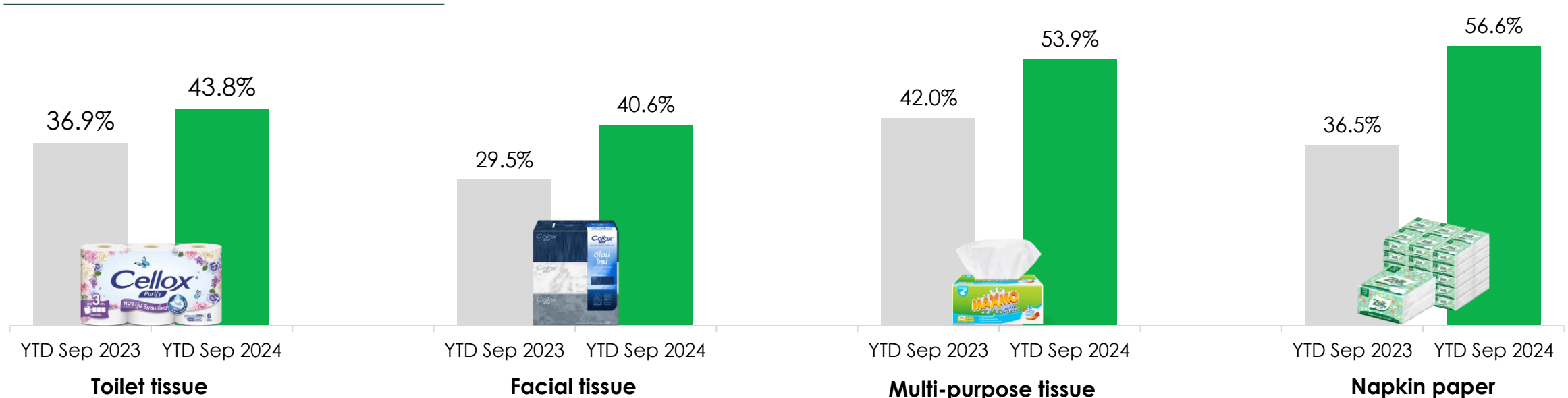
## Liquid soap



## Snack



## Tissue paper









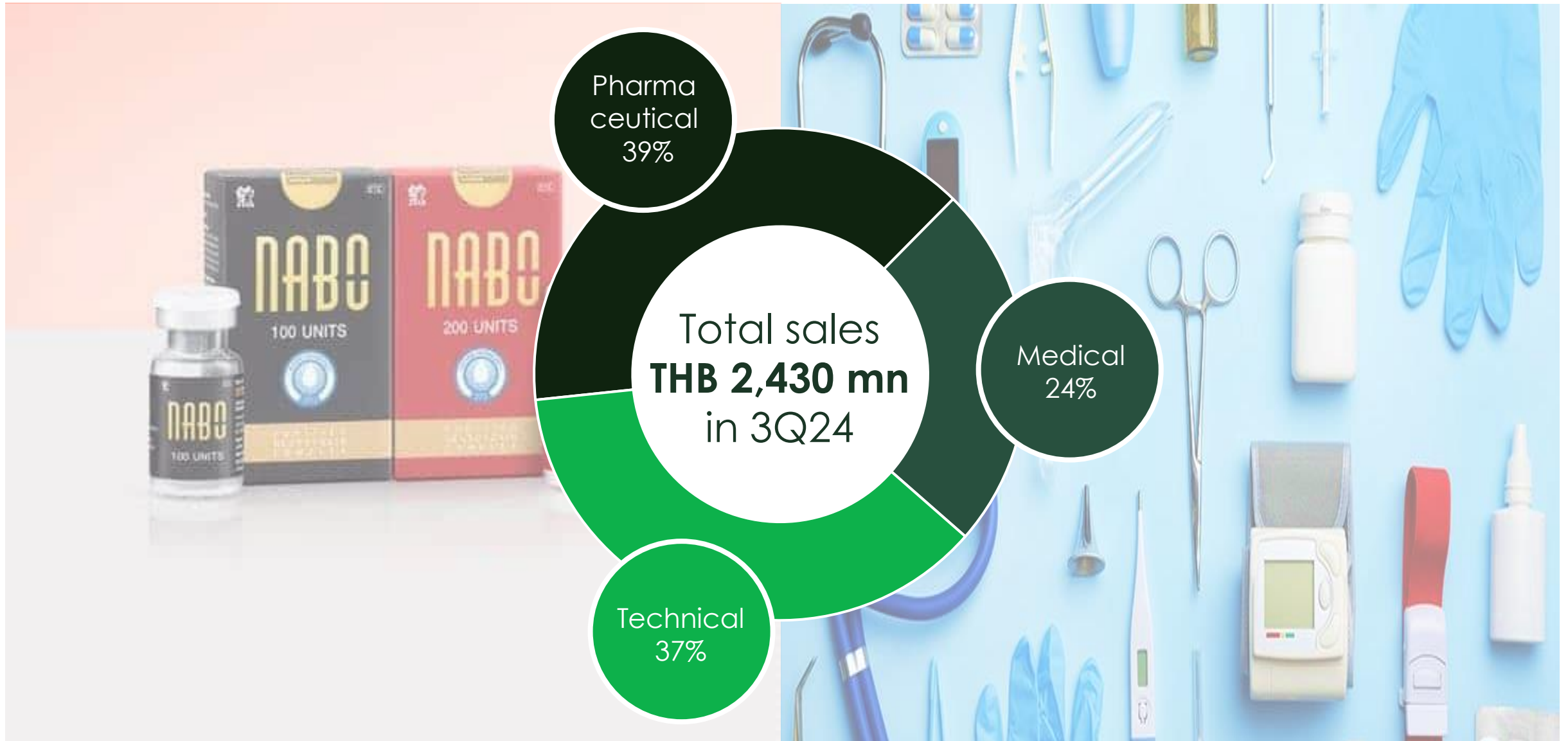
# Palm oil is on the rise while pulp price is stable

## Raw material price trend





# Healthcare and Technical Supply Chain



# New product launch and incoming of Government budget driving performance

## Key driver in 3Q24

Top 5 best performer

- 1 Aesthetic
- 2 Ophthalmology
- 3 Medical Education
- 4 Radiology
- 5 OTC drugs

### Medical Education



### Ophthalmology



### Radiology



## Upcoming New Product



### Brevera (Hologic)



### Therenva



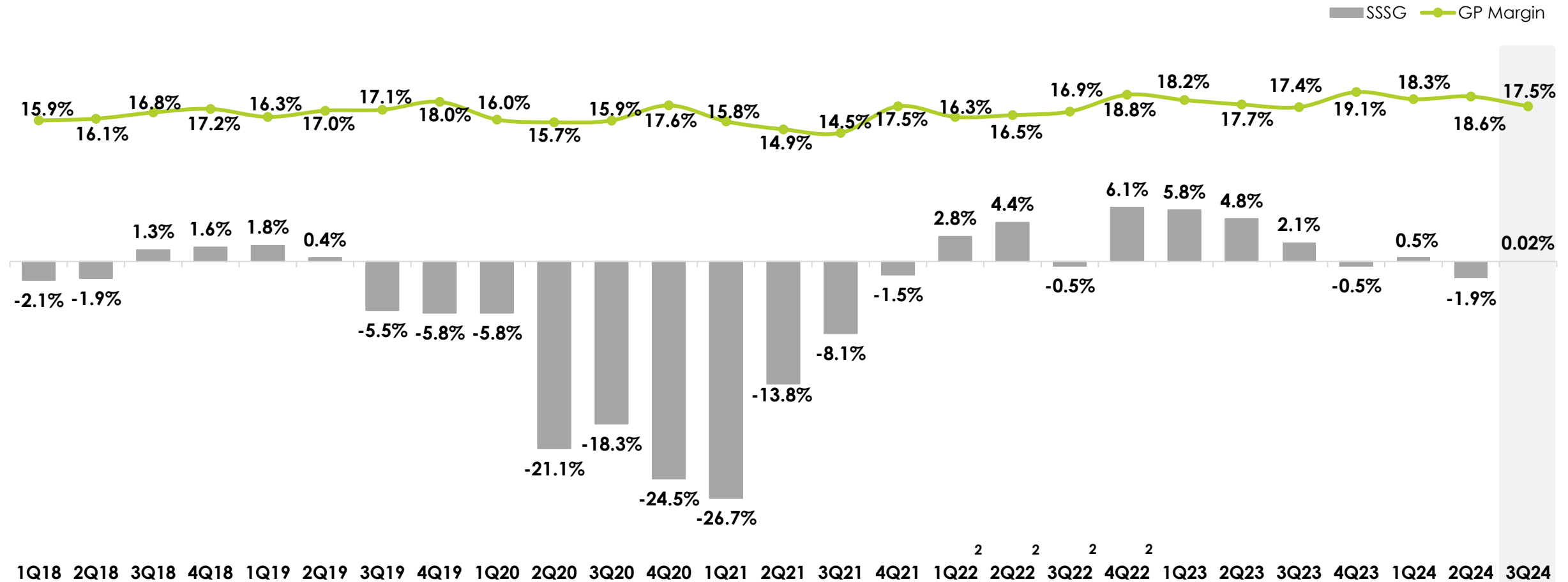


# Modern Retail Supply Chain



# Same-Store Sales Growth<sup>1</sup> and GP%

Big C's total sales like-for-like performance and gross profit margin percentage



**3Q24 SSSG exhibited strong month-by-month growth momentum starting from August, led by Fresh Food category reaching double digit% growth in September, whilst GP% expanded slightly driven by sales mix.**

<sup>1</sup> SSSG refers to same-store sales growth, excluding B2B sales.

<sup>2</sup> Restated the financial information due to the impact from the business combination under common control and due to reclassification of business segments.



# 2H2024 Focus update



## Fresh Food

Our Fresh Food strategy is delivering results:

- Fresh Food SSSG reaching double digits% in September with the momentum continuing to the 4Q.
- Three consecutive months of fresh food market share gains
- Fresh food penetration is growing and driving customer traffic.



## Format Focus

- Launched new Big C Mini format targeting younger customer segment with adjusted assortment and store ambience.
- Continued tourist store development with extended assortment and increased space allocation.
- Developing Fresh food category in premium stores by NPD and direct import.





## Wholesale business: Grow profitable sales

- Working to re-launch Depot targeting Donjai customers.
- Reviewing Food Services assortments and open first Food Service Hub.
- Continue driving targeted Donjai network growth.
- Growing B2B sales through corporate and service customers.



## Communication & Marketing

- Held supplier conference and currently in process of join business planning with suppliers
- Introduced member price in stores
- Simplified promotions with value and volume focus



## Drive profitable categories

- Private label penetration continues growing reaching 13.8% in 3Q24
- Expanding direct imports with new planogram and new Dry food SKUs from UK, Italy, and French.
- Developing Japanese, and Korean assortments.



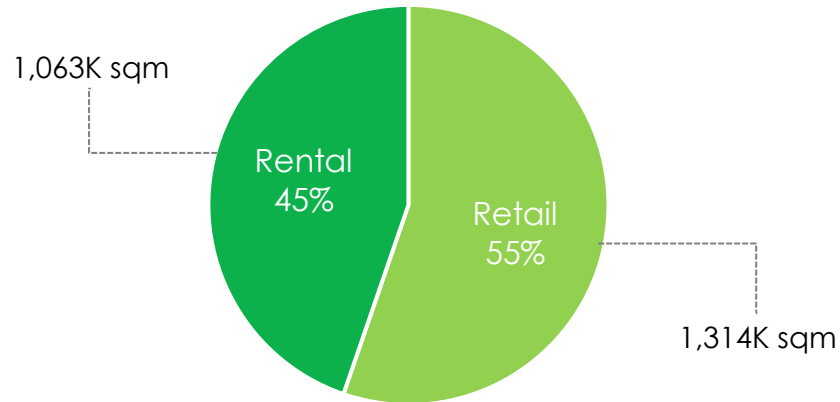
## Improve availability and reduce inventory

- Reduced inventory level by better promotional planning and improved forecasting accuracy.
- Reducing delivery lead times in the southern region by utilizing the Surat Hub.
- Using TMS as a core planning system to help to reduce cost through route optimization and improving transport efficiency.



# Rental and Other Income

## Retail and Rental<sup>1</sup> Area – September 2024



## 3Q24 Performance

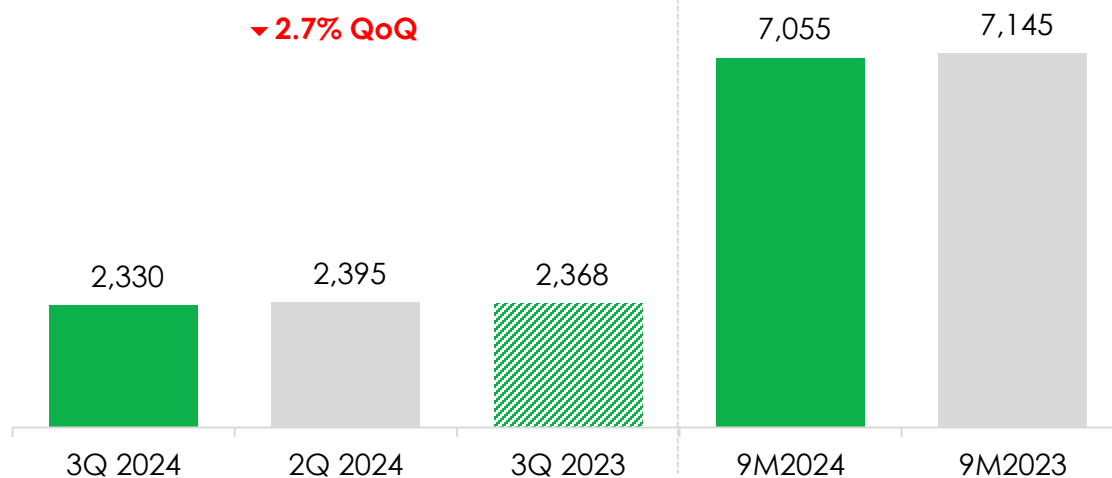
- **Rental and service income** decreased by **-1.6% YoY**, mainly driven by declining rental income due to number of stores undergoing renovation during the quarter.
- **Other income** decreased by **-4.8% YoY**, mainly driven by lower service income from Visa on arrival, and lower payable adjustment.
- **Occupancy rate<sup>2</sup>** When excluding the additional space on Rajdamri 5<sup>th</sup> – 7<sup>th</sup> floor, the occupancy rate in 3Q24 was **88.3%** (Including the Rajdamri 5<sup>th</sup> – 7<sup>th</sup> floors, the occupancy rate was 87.9%).

## Rental and Service Income

Unit: THB mn

▼ 1.6% YoY  
▼ 2.7% QoQ

▼ 1.3% YoY

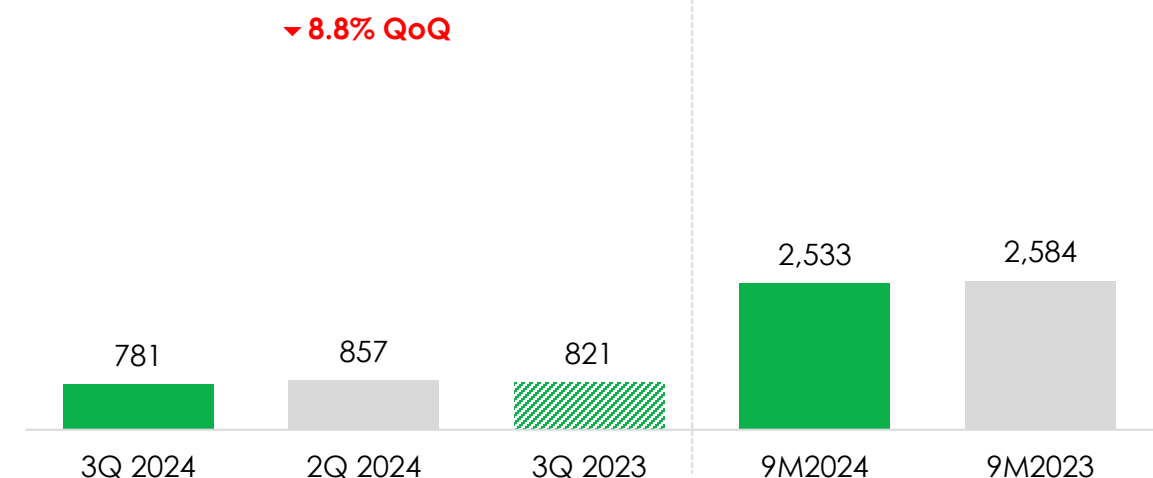


## Other Income

Unit: THB mn

▼ 4.8% YoY  
▼ 8.8% QoQ

▼ 2.0% YoY

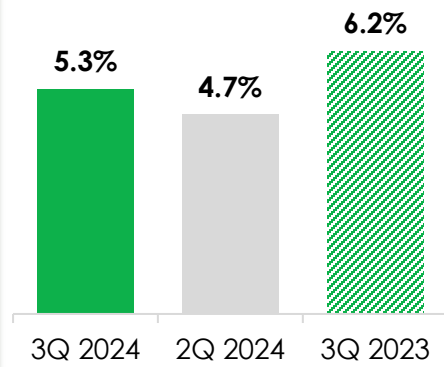




# Operational Update

## Omnichannel Sales Contribution

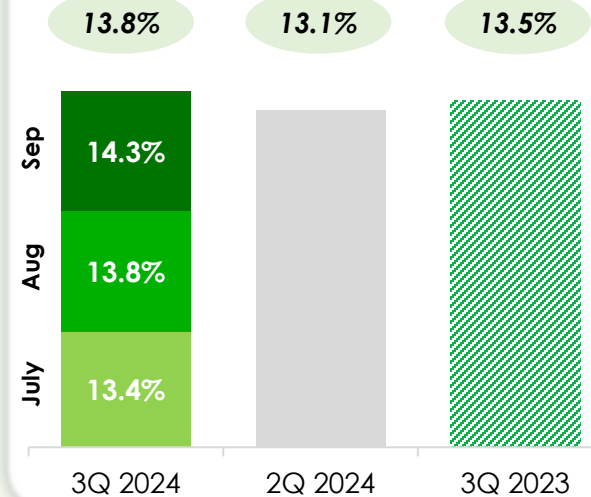
(Big C Omnichannel sales contribution<sup>1,3)</sup>)



- Strong **ecommerce sales growth** continued with **+30% year-on-year** increase in 3Q24 mainly through both, owned and third party, quick commerce platforms.
- Extended **on-demand service** across 77 provinces in Thailand to deliver products especially from Big C Mini.
- Expand **ecommerce sales** in Southern Thailand.

## Private label revenue and contribution

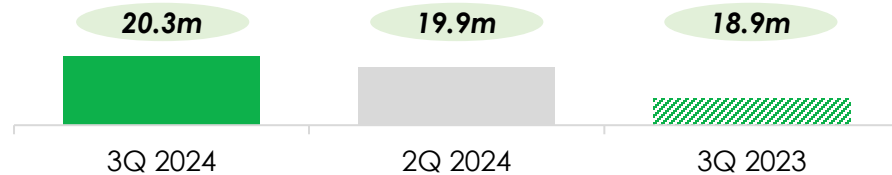
(Revenue contribution<sup>2)</sup>)



- Continued strong **Big C private label growth** with sales increasing **+5.9%** year-on-year.
- Private label growth driven by **Dry food and Fresh food categories**.
- Introduced Private label to **Pharmacy category**.

## Big Point loyalty program

(Big Point Member (millions))



- Number of **Big Point card** holders continues growing and reached 20.3 million at the end of 3Q24, up +7.5% from year ago.
- Young generation continues as the fastest growing segment** with +50% year-to-date growth.



Remarks : <sup>1</sup> Omnichannel sales are Big C retail sales from shop online website, mobile applications, call & shop, chat & shop and 3<sup>rd</sup> party platforms, excluding B2B ordering

<sup>2</sup> Sales contribution to revenue from sales of goods

<sup>3</sup> Sales contribution to Modern Retail sales

<sup>4</sup> Sales contribution to monthly sales of goods

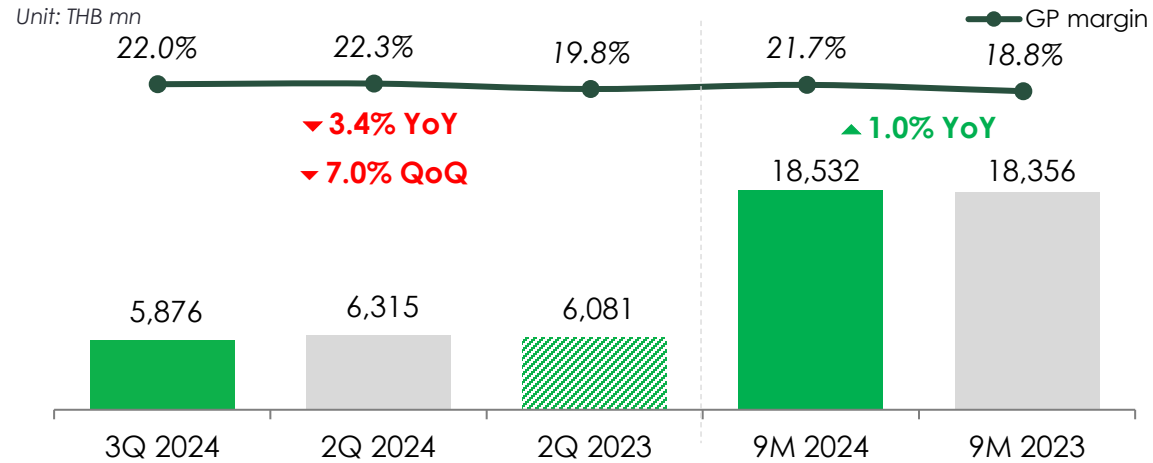


# APPENDIX

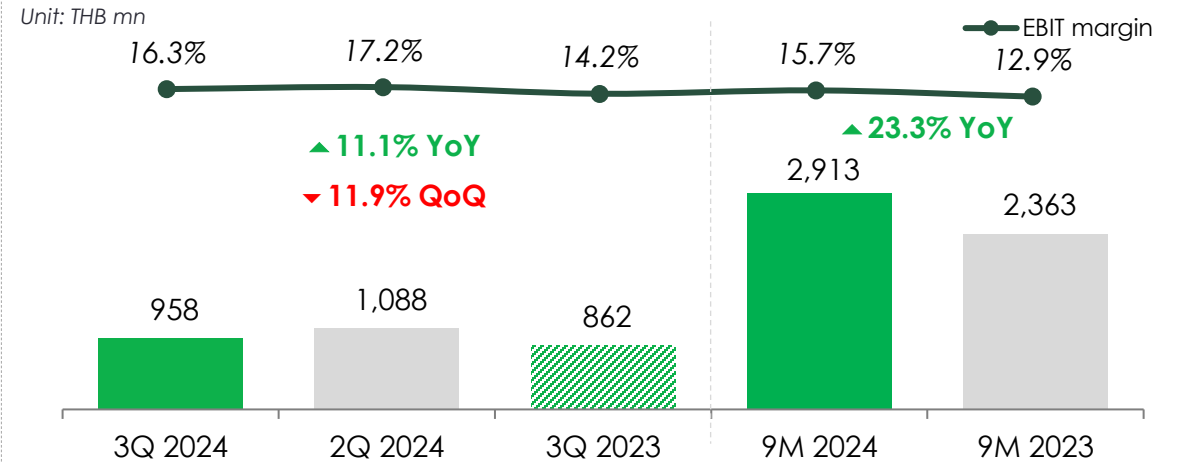


# 3Q24 Performance Packaging

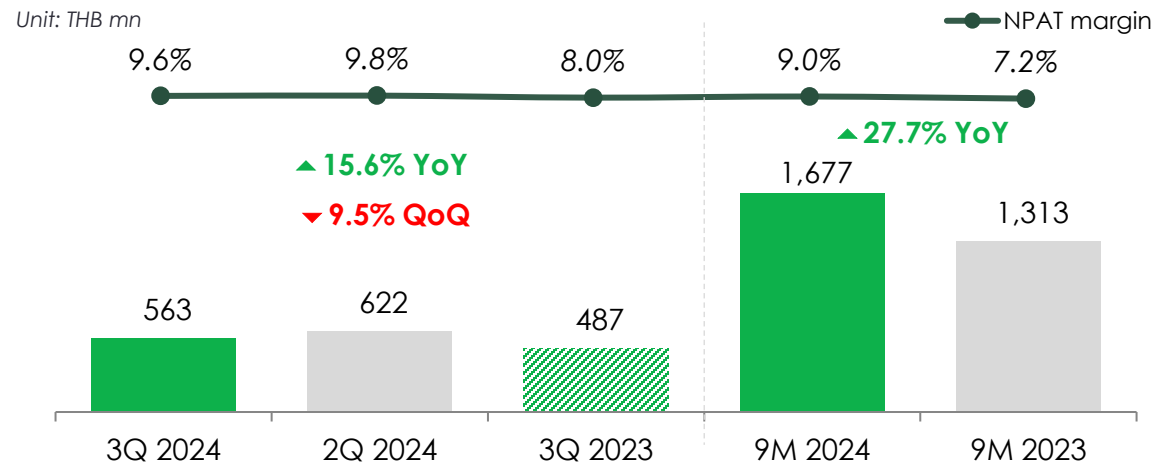
## Sales and GP Margin



## Normalized EBIT and EBIT margin



## Normalized NPAT and NPAT Margin

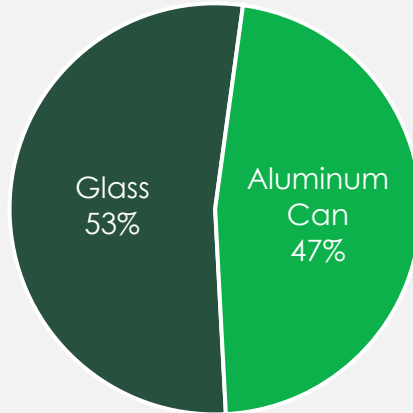


## 3Q24 Highlights

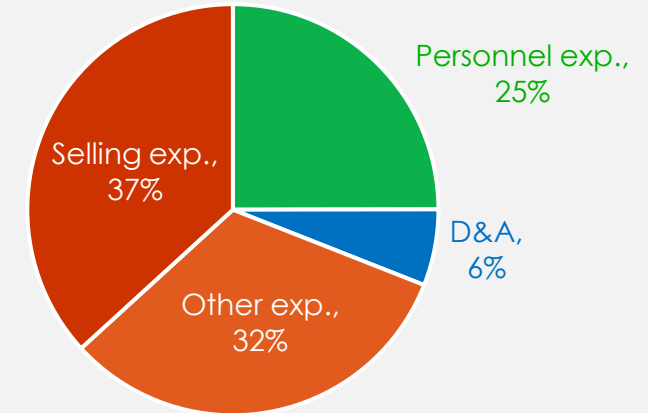
- **Sales decreased by -3.4% YoY**, driven by decreasing sales from both of Glass and Aluminum Can packaging.
- **GP Margin increased by +220 bps**, driven by both Glass and Aluminum Can packaging due to improved production efficiency, lower raw material prices for both soda ash and aluminum, together with cost saving initiatives.
- **Normalized NPAT increased by +15.6% YoY**, driven by profitability improvement.

# 3Q24 Performance Breakdown

## Sales



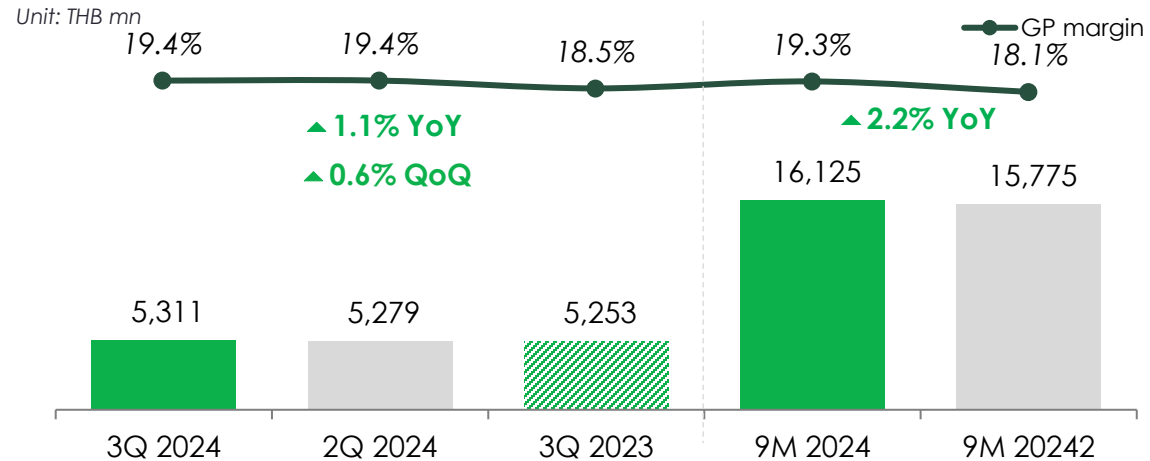
## SG&A



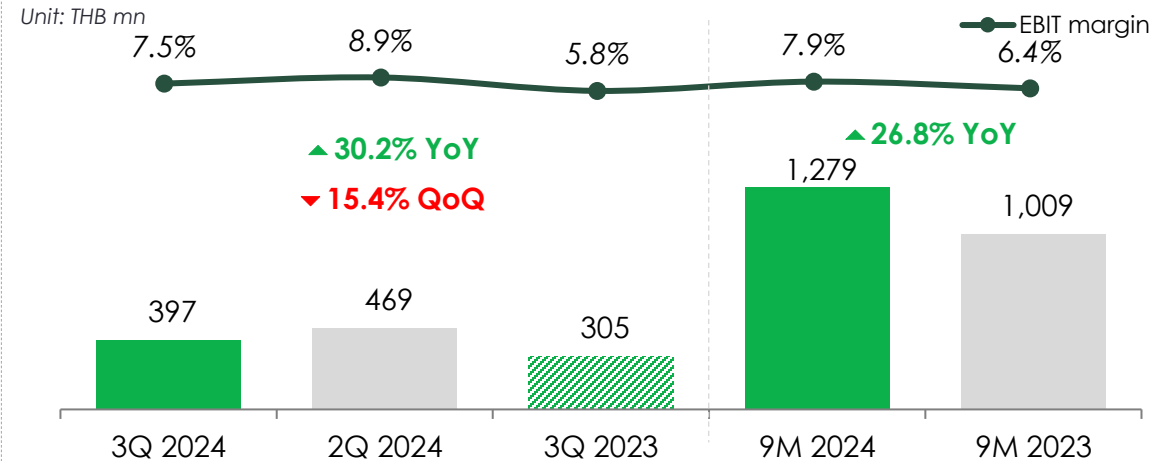


# 3Q24 Performance Consumer

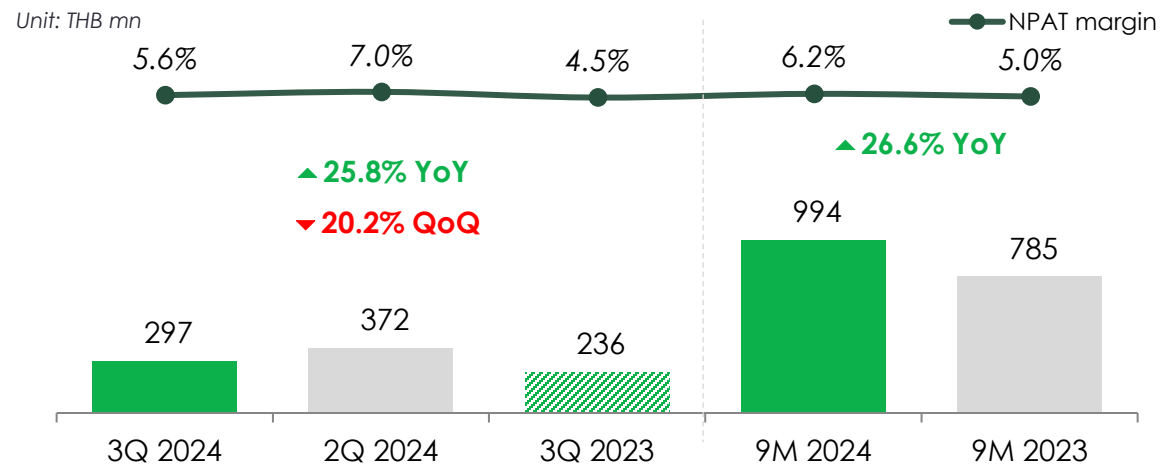
## Sales and GP Margin



## Normalized EBIT and EBIT margin



## Normalized NPAT and NPAT Margin

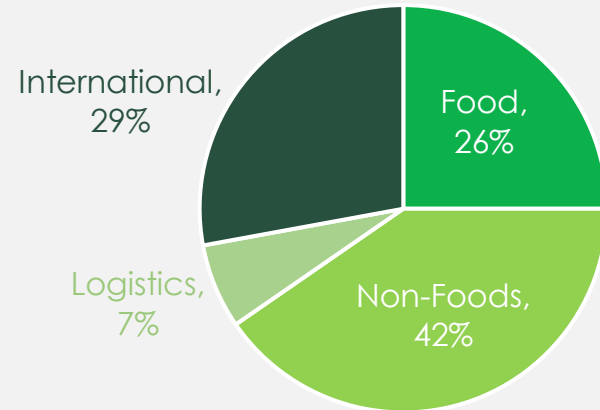


## 3Q24 Highlights

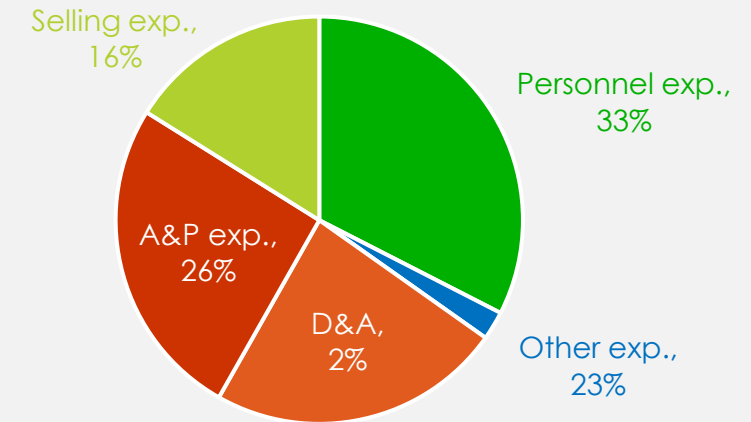
- **Sales increased by +1.1% YoY**, driven by growing sales of Non-Foods Group. Personal care group sales growth from Parrot soap, new product (Hair care products, promise brand), and OEM products.
- **GP Margin increased by +92 bps**, from Non-Foods by selling products with higher margins (Product mix).
- **Normalized NPAT increased by +25.8% YoY**, driven by selling products with higher margins (Product mix) and growing gross profit margin.

# 3Q24 Performance Breakdown

## Sales



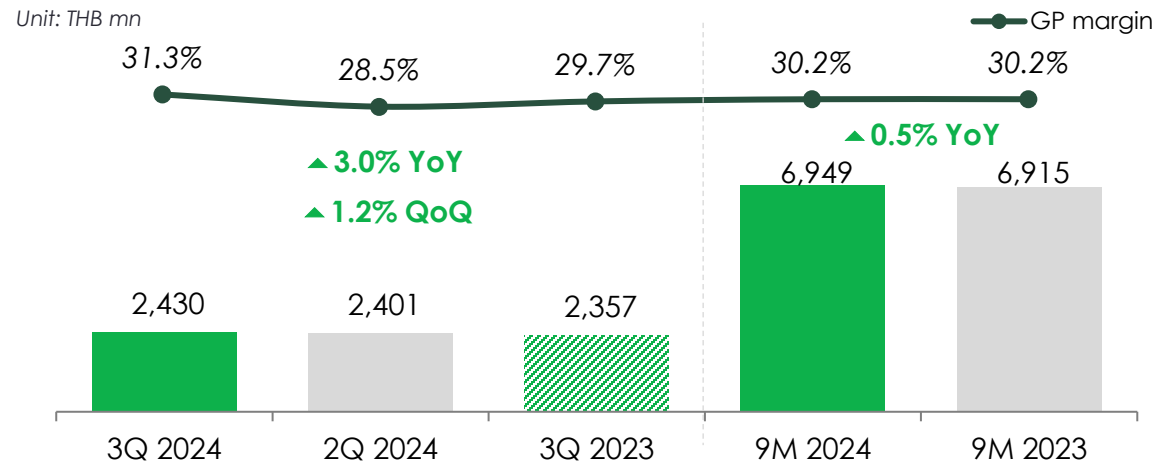
## SG&A



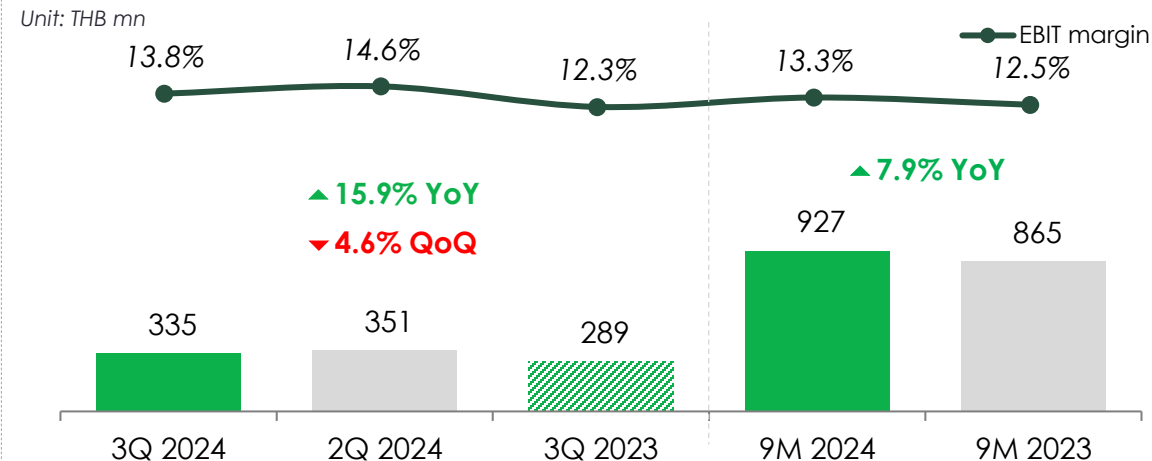


# 3Q24 Performance Healthcare and Technical

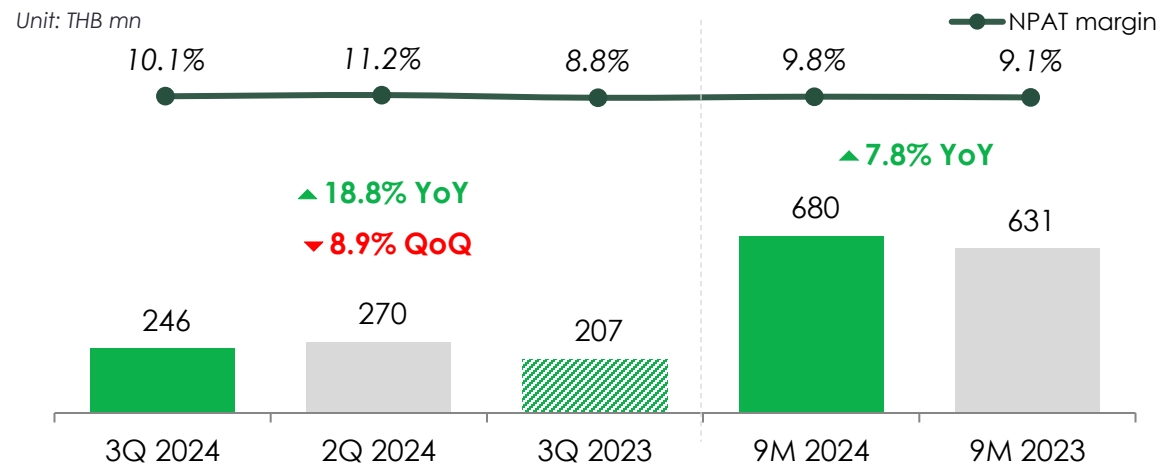
## Sales and GP Margin



## Normalized EBIT and EBIT margin



## Normalized NPAT and NPAT Margin

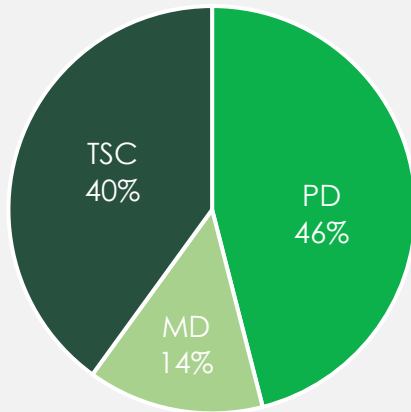


## 3Q24 Highlights

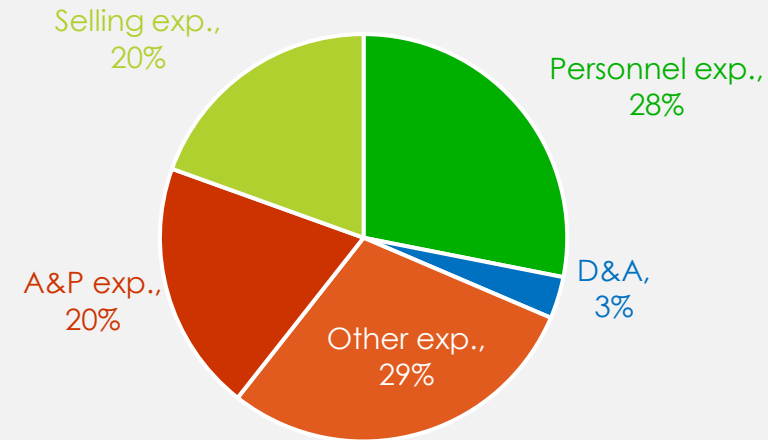
- **Sales increased by +3.0% YoY**, driven by the rising sales of healthcare division due to new products launched, and the rising sales of medical equipment division from the continually released government budget.
- **GP Margin increased by +162 bps**, driven by selling more products with higher margins (Product mix).
- **Normalized NPAT increased by +18.8% YoY**, driven by higher sales and gross profit margin.

# 3Q24 Performance Breakdown

## Sales



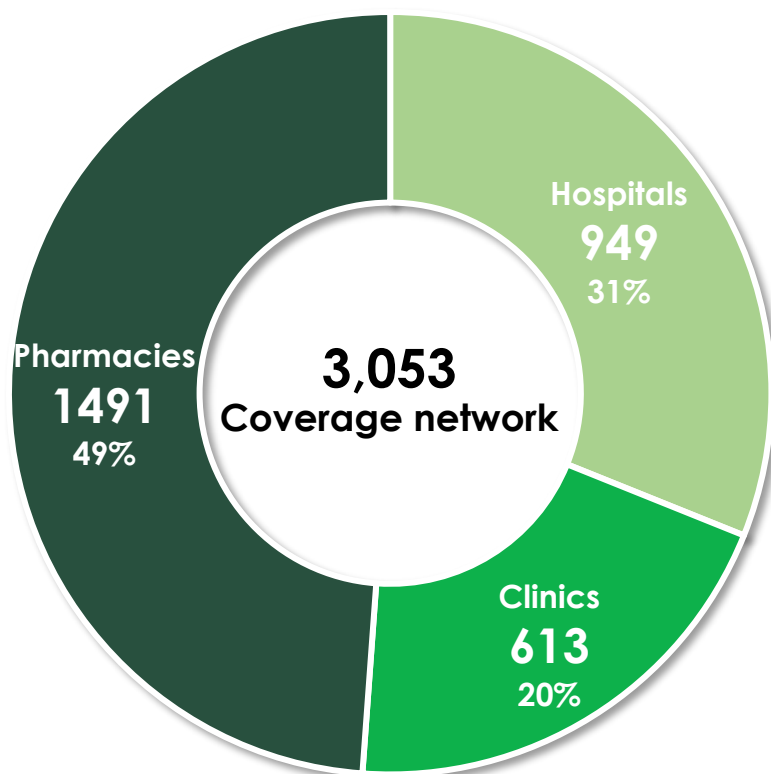
## SG&A



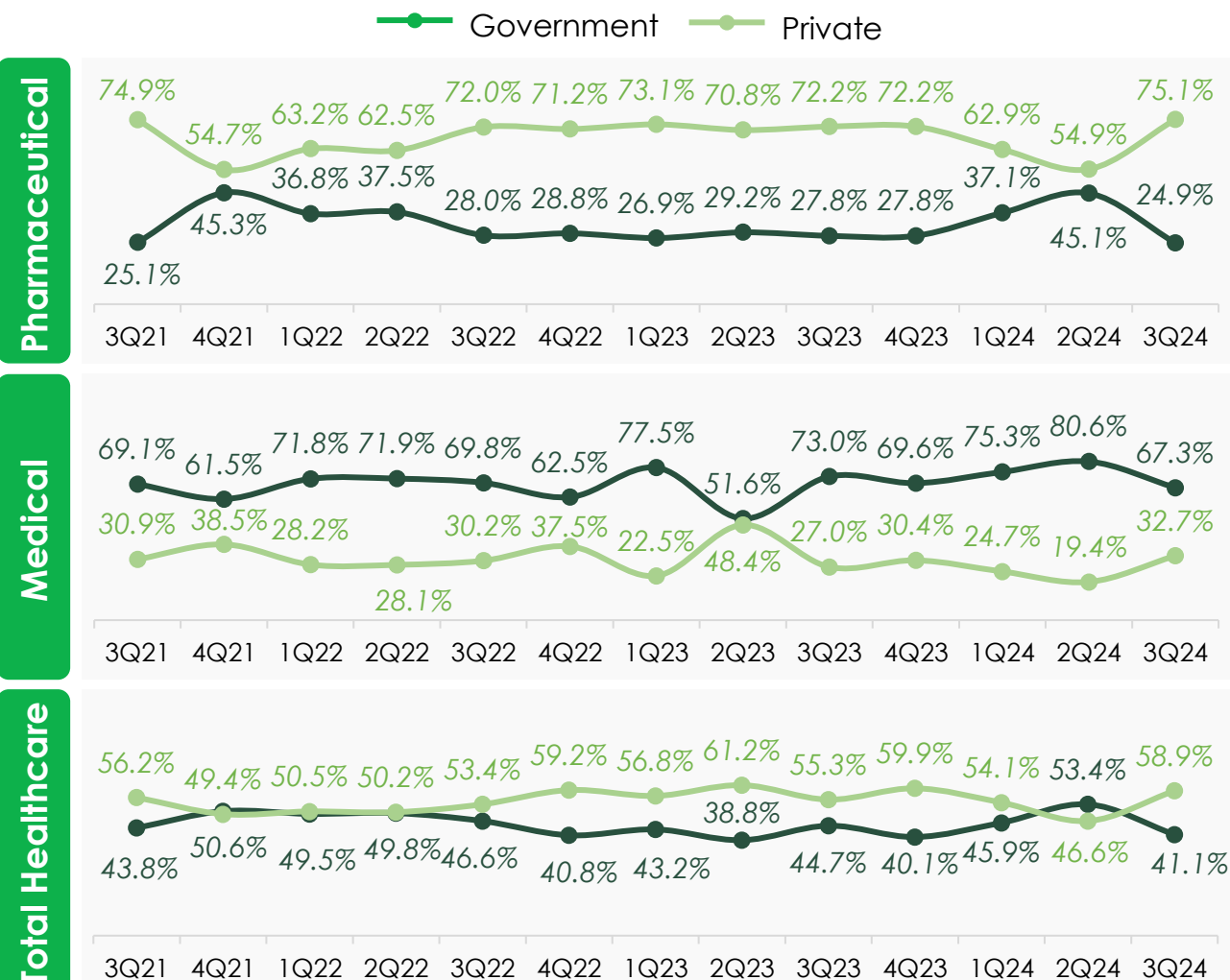


# Our experience is portrayed in our extensive network across the country

## Healthcare 3Q24 coverage network

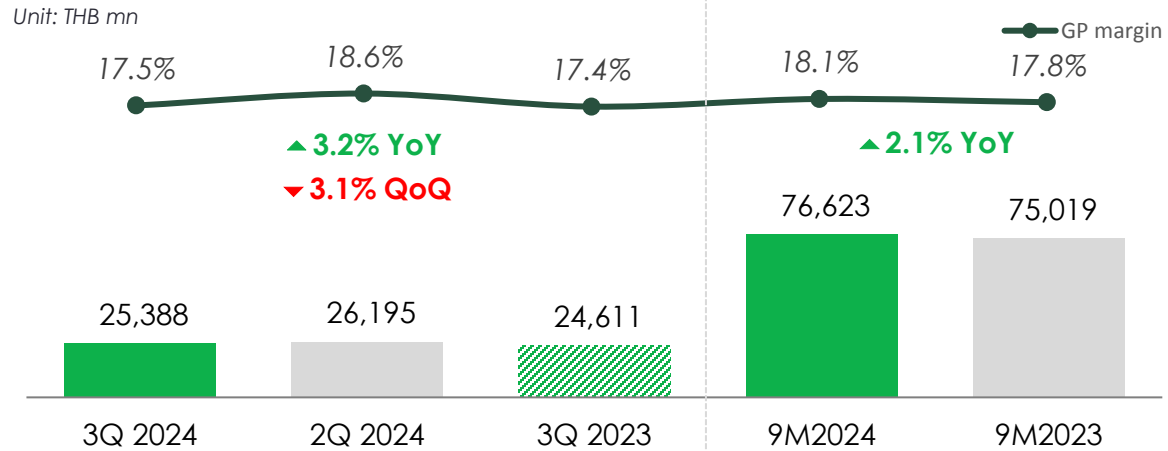


## %Contribution of Government and Private hospital

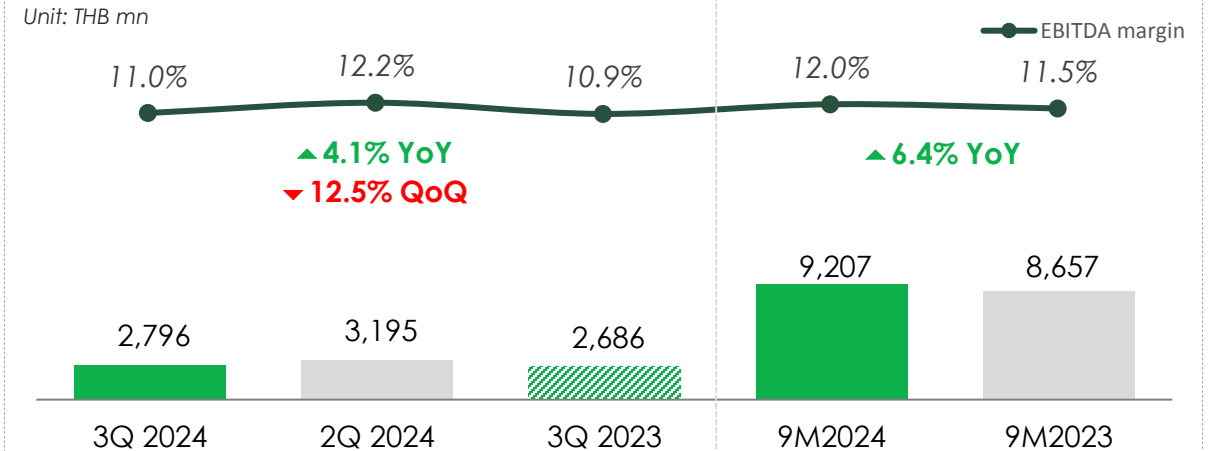


# 3Q24 Performance Modern Retail

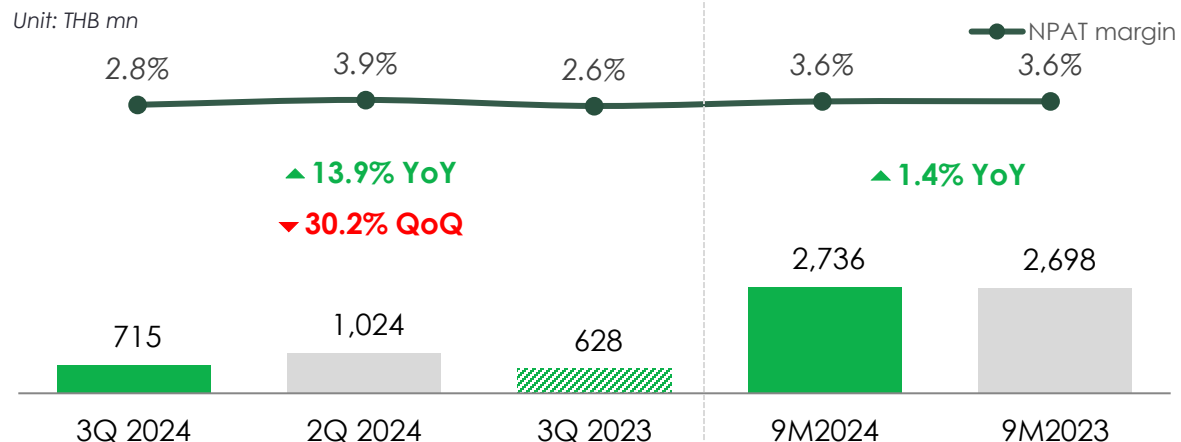
## Sales and GP Margin



## Normalized EBITDA and EBITDA margin



## Normalized NPAT and NPAT Margin



## 3Q24 Highlights

- **Sales increased by +3.2% Y-o-Y**, mainly driven by continued store network expansion.
- **GP Margin increased by +14 bps Y-o-Y**, mainly driven by sales mix, good inventory management, and lower logistic costs.
- **Normalized EBITDA Margin increased by +10 bps Y-o-Y**, driven by profitability improvement and lower logistics cost.
- **Normalized NPAT increased by +13.9% Y-o-Y**, driven by profitability improvement and lower logistics cost.

# Expansion Update

## Store Expansion – 3Q24

### Big C Hypermarket Yala : 1 store

(closed 2 stores in Thailand (Rangsit2 and Sukhapiban))

### Big C Mini: 11 stores

(Including 1 store in Cambodia)  
(converted 1 Big C foodplace to Big C mini)

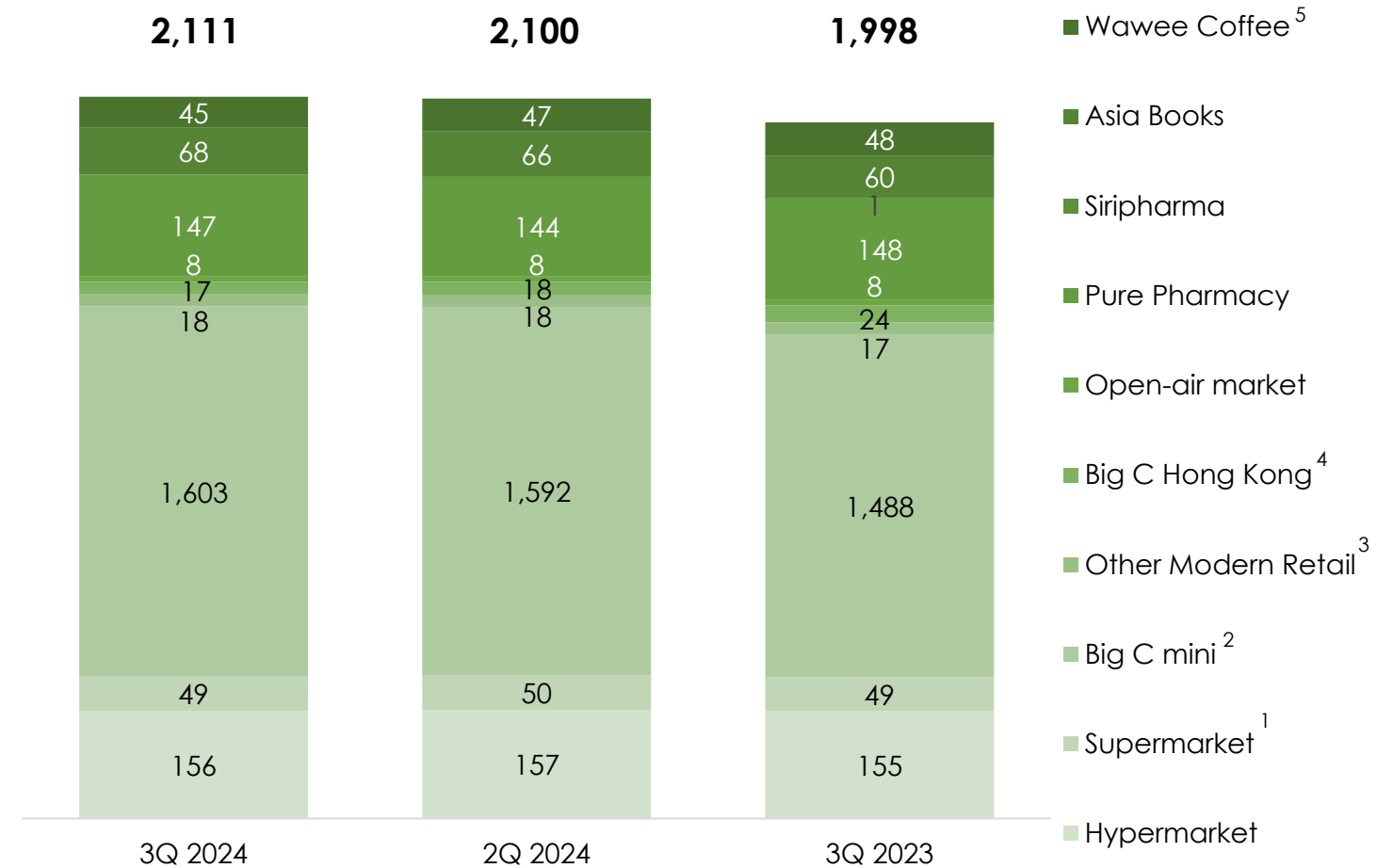
### Pure pharmacy: 4 stores

### Asia Book: 3 stores

**Donjai:** Extended Donjai partnership store network by 1,122 stores to reach **9,667 Donjai stores**



## No. of Stores



<sup>3</sup> Other Modern Retail: Big C Depot and Big C Food Services

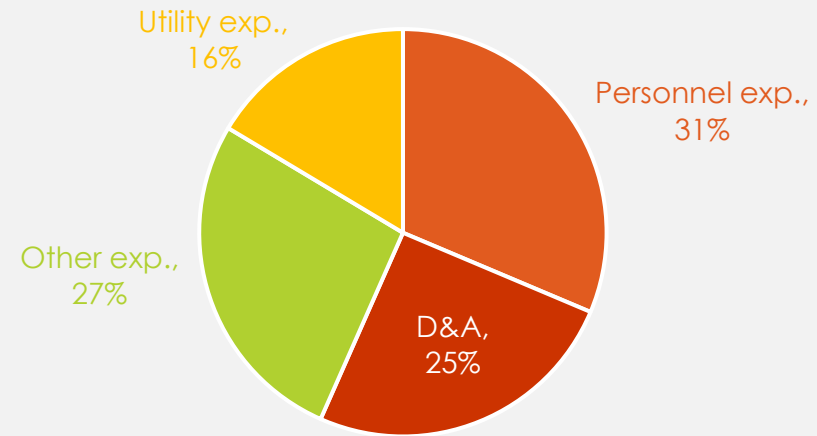
<sup>4</sup> Big C Hong Kong: including pop-up store

<sup>5</sup> Wawee: excluding Big C Mini coffee corners.



# 3Q24 Performance Breakdown

## SG&A





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# Q&A

# Thank you

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