



Malee Group Public Company Limited

Quarter 2/2020

20 August 2020

Disclaimers

The information contained herein is intended to represent the Company's operating and financial position at a given point in time and may also contain forward looking information which only reflects expectations based on the prevailing geo-political, economic and non-controllable factors. Such information has been obtained from sources believed to be most reliable and the means in analyzing and preparation of such information for disclosure are based on approve practices and principles in the investment industry. The views are based on assumption subject to various risks and uncertainties and no assurance is made as to whether such future events will occur. No assurance is made as to the accuracy or completeness of information presented in this document.

Please note that the Company has agreed that any all information in connection with CMG products and manufacturing activities shall be kept strictly confidential and not be disclosed to any third party.



AGENDA

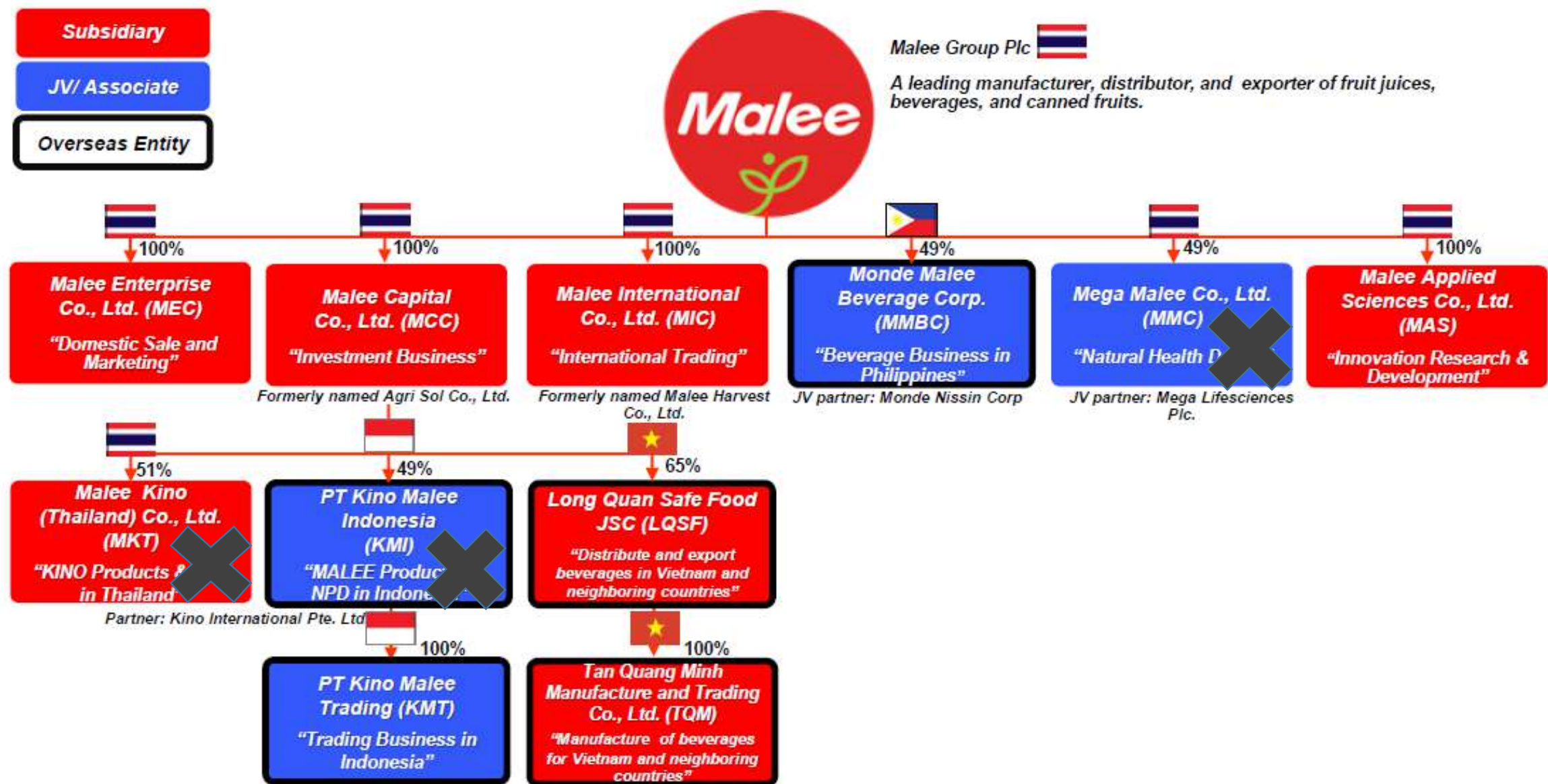
Company Overview

Business Update

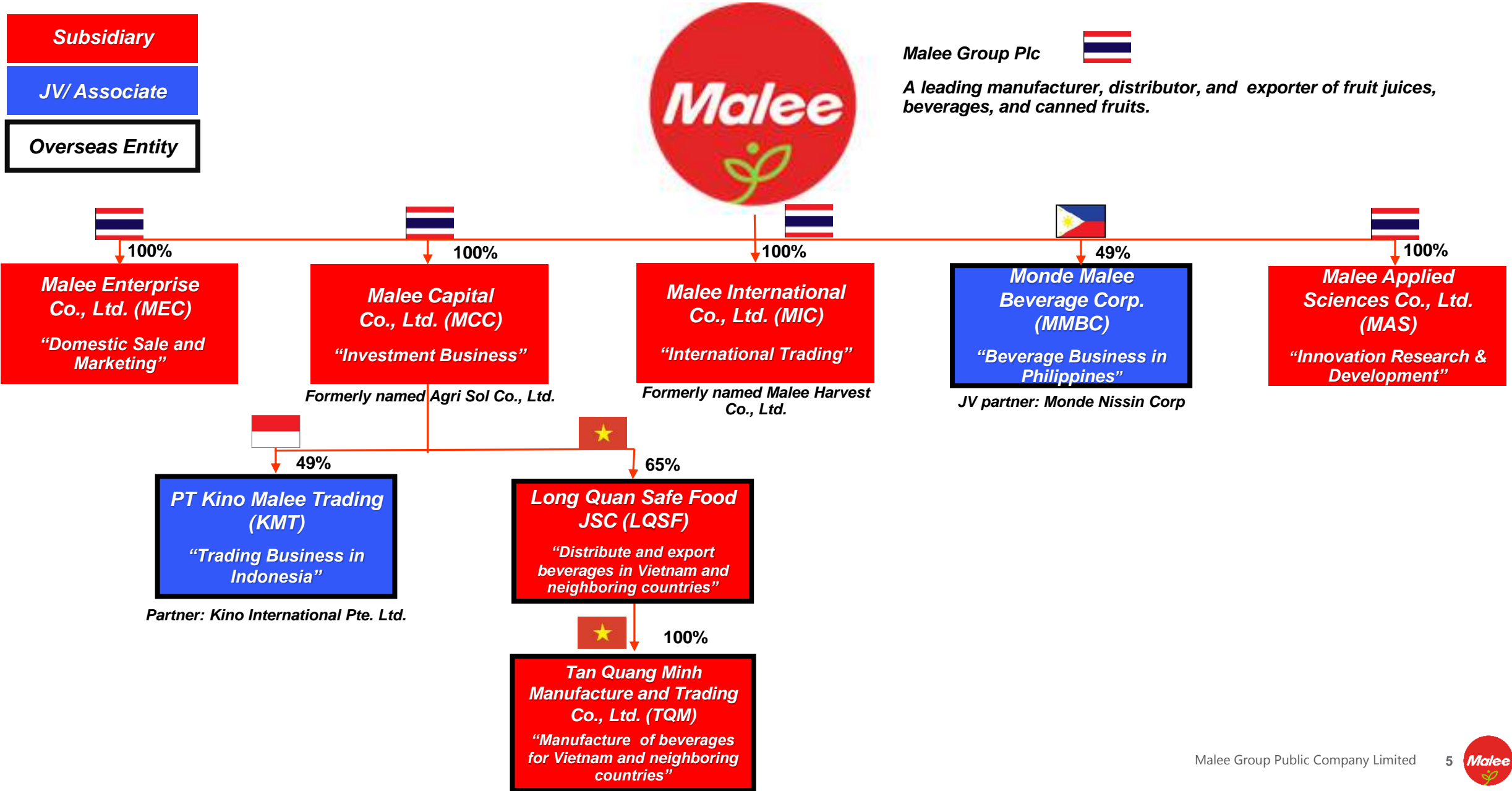
Results of Operations and Profitability

Forward Looking

Group Structure (Old)



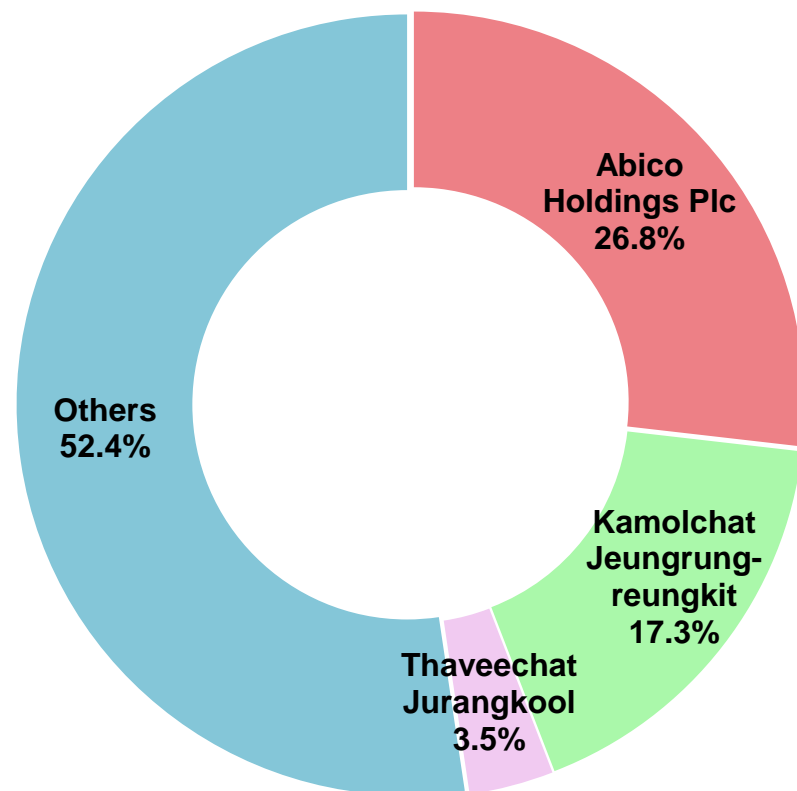
Group Structure (Current)



Shareholding Structure & Share Information

Shareholding Structure

(As of 13 March 2020)

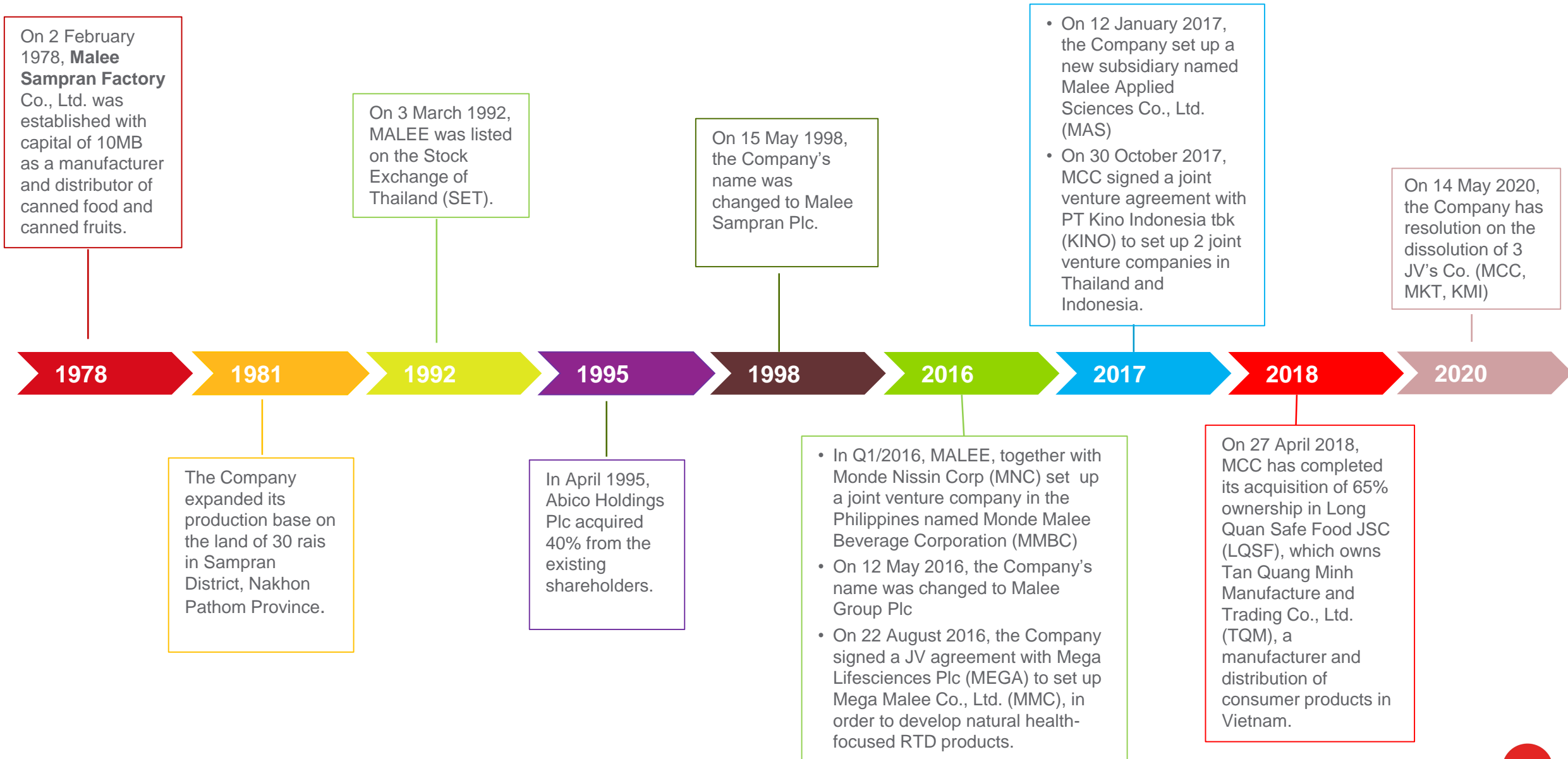


Share Information

(As of 19 August 2020)

Stock Symbol:	MALEE
Industry and Sector:	Agro & Food Industry / Food and Beverage
No. of Listed Shares:	280,000,000 Shares
Registered Capital:	THB 140,000,000
Paid-up Capital:	THB 140,000,000
Par Value:	THB 0.50 per Share
Listing Date:	13 March 1992
Foreign Limit:	49% (available 47.97%)
Dividend Policy:	Not less than 30% of the net profit from normal operation according to consolidated financial statements after deduction of tax revenue and legal reserve. However, actual payments will depend on cash flows and investment plans of the Company's and its affiliates as well as other necessities as the Board of Directors deems appropriate.
Market Capitalization:	1,848 MB or 59.6 MUSD
Free Float:	48.48%

Milestones

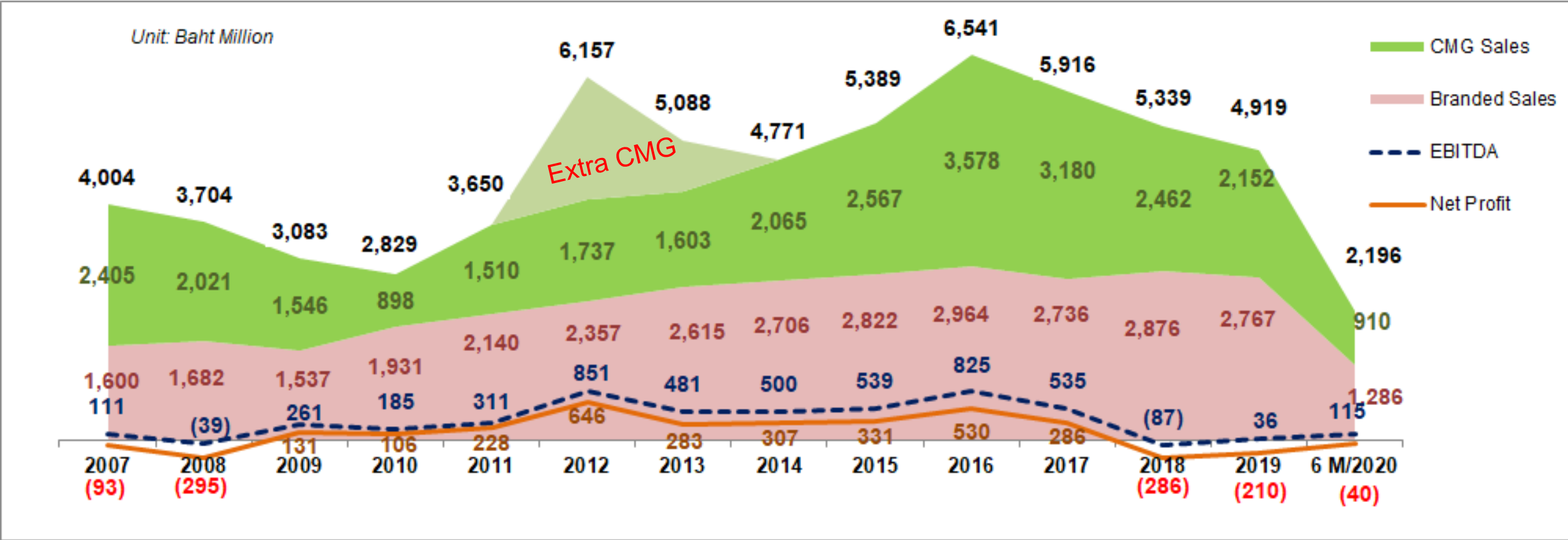


Historical Performance

- Prior to 2009, major contribution of CMG was from canned fruits.
- Discontinued the canned pineapple production in 2009 and canned sweet corn in 2013.

2012-2013: Benefit from the great flood in Thailand

2016: Historical Highest Sales



CMG: Contract Manufacturing

Malee Brand Portfolio

Malee

100% UHT Vegetable and fruit juice

100% Pasteurized

100% Malee Fruit Fresh

Malee Coco

Food Service

Malee Tropical

Malee canned Fruit

OTHERS

Canned Fruit

First Choice

Farmer

Chokchai Farm

Dairy Product

UHT

Pasteurized

Milk Tablet

Others

Other Beverages

Jelly Joop

Good Water

Turbot Maxx (RTD Coffee)

Malee Group Public Company Limited

Malee

Subsidiary/Joint Venture Portfolio

LQSF (Vietnam)



MMBC (Philippines)



MAS (Thailand)



Kino Malee (Indonesia)



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Company Overview

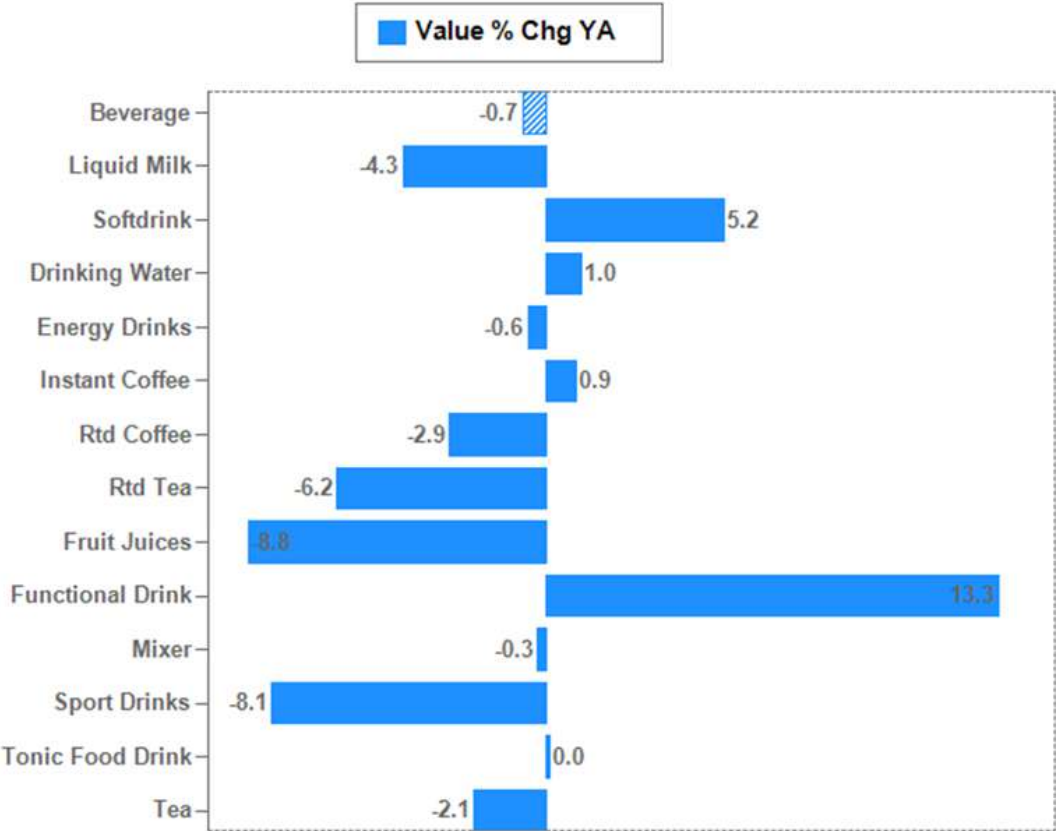
Business Update

Results of Operations and Profitability

Forward Looking

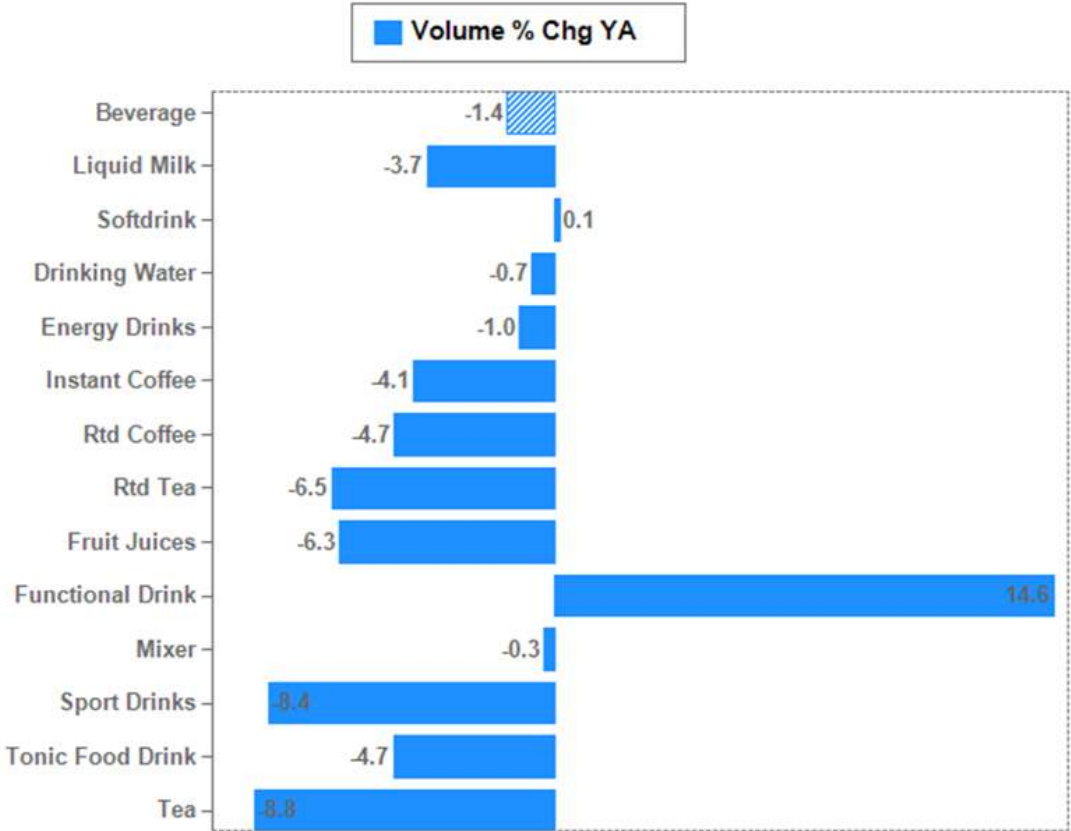
Domestic Beverage Market Q2'2020

Total Thailand+MTSR - MAT TY



BEVERAGE - sort by category size (value)

Total Thailand+MTSR - MAT TY

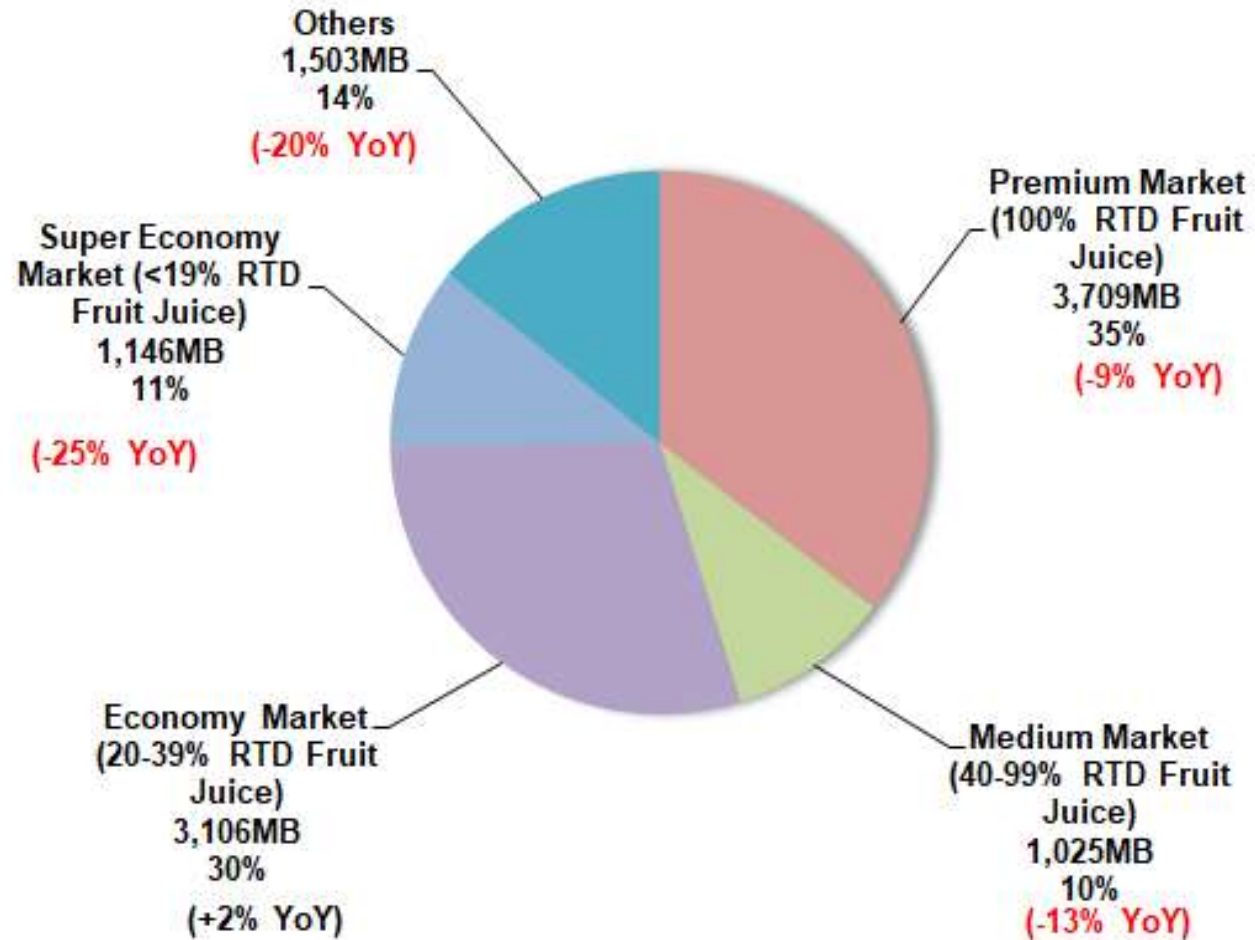


BEVERAGE - sort by category size (value)

Source: Nielsen

Domestic RTD Fruit Juice Market

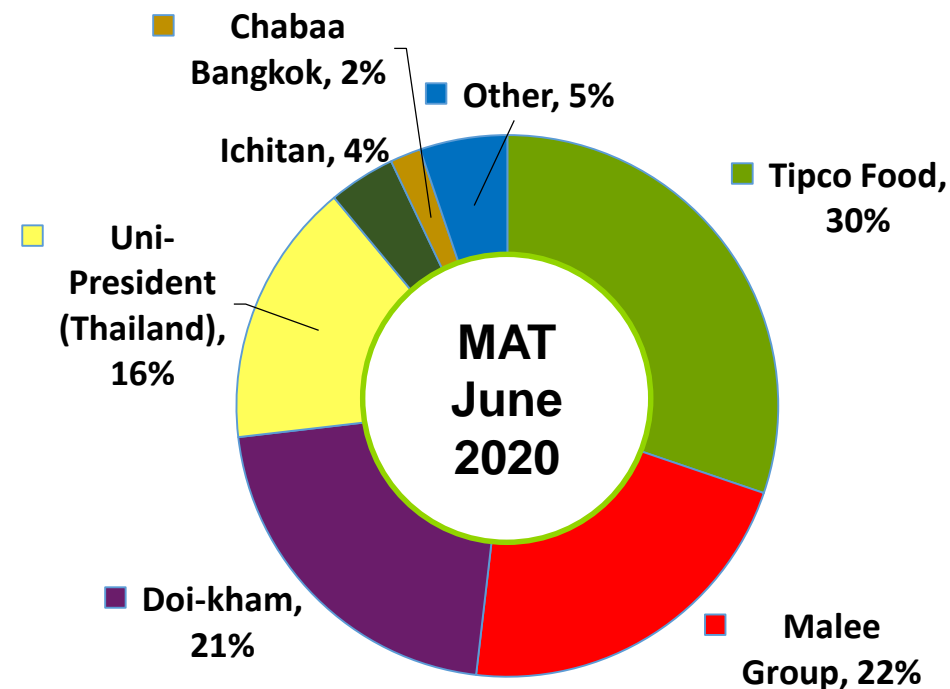
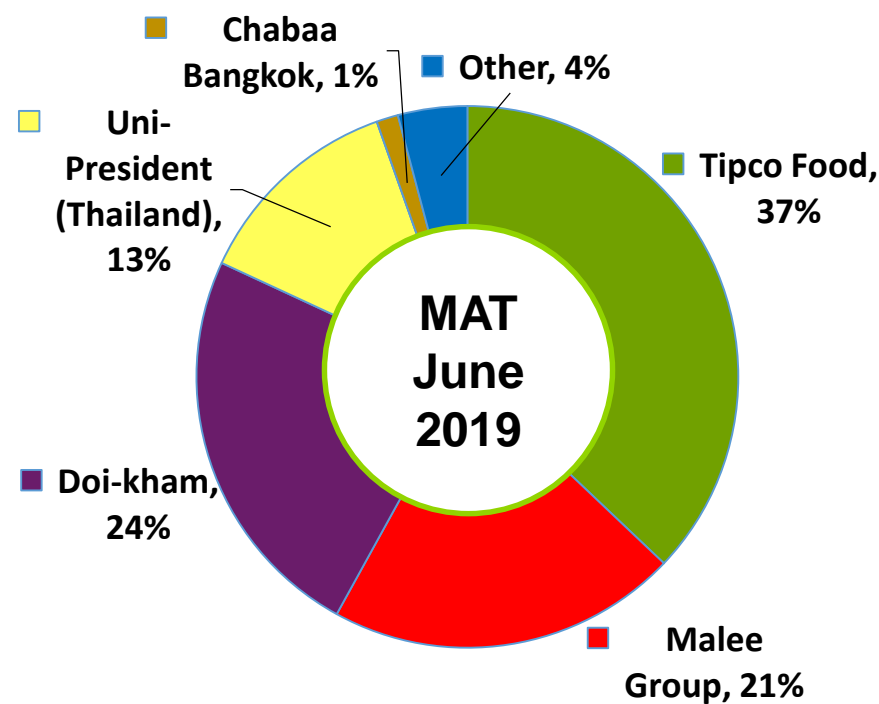
MAT June 2020 Market Value of 10,489 MB, a *Decrease of 10% YoY*



Source: Nielsen

Domestic RTD Premium Fruit Juice UHT Market Share

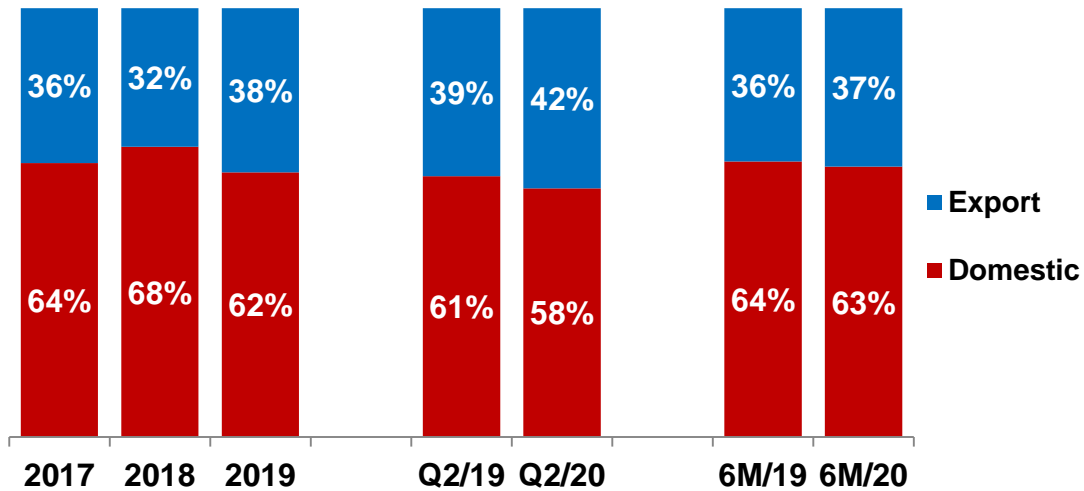
MAT June 2020 Market Value of 653MB, a Decrease of 16% YoY



Source: Nielsen

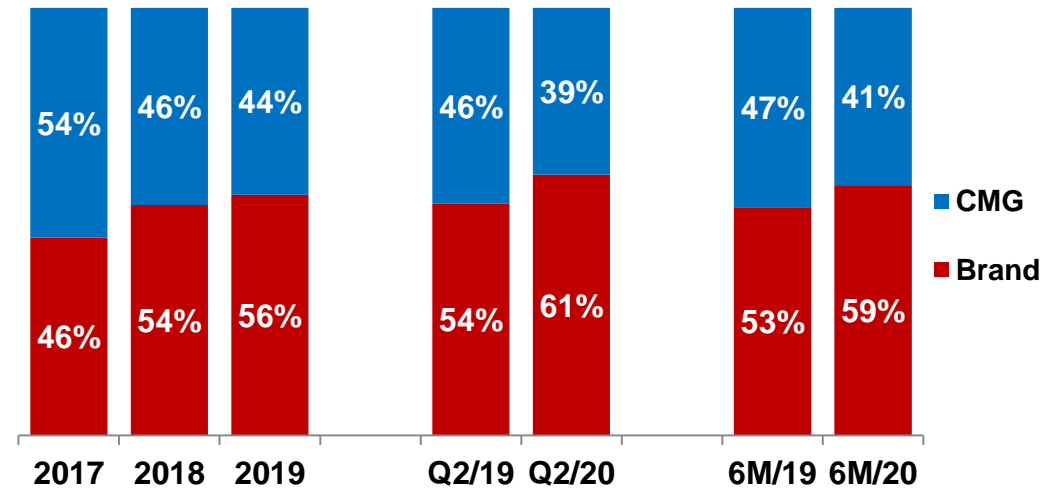
Sales Structure

Domestic : International Business



- Domestic Sales
 - Q2/2020 : - 25% YoY
 - 6M/2020 : - 15% YoY
- Export Sales
 - Q2/2020 : -16% YoY
 - 6M/2020 : -11% YoY

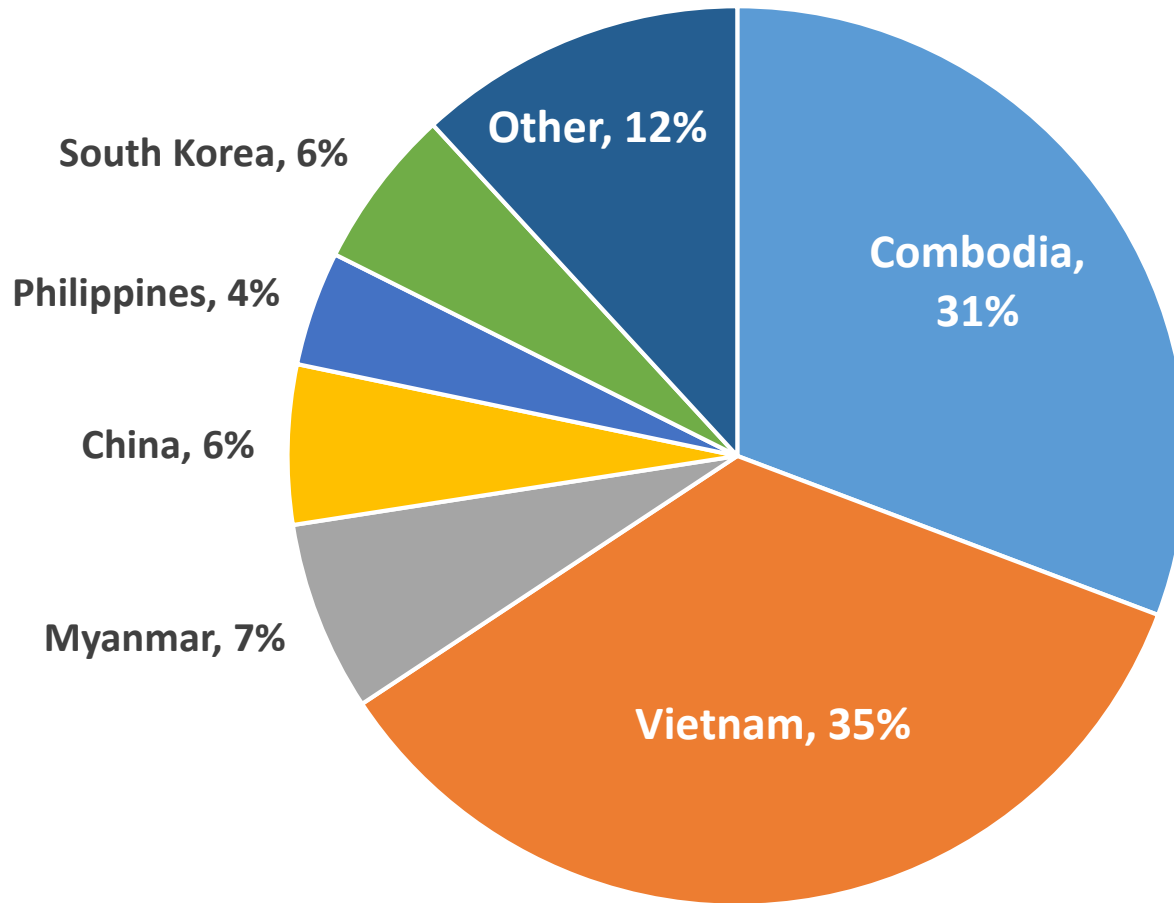
Brand : Contract Manufacturing



CMG: Contract Manufacturing

- Brand Sales
 - Q2/2020 : -11% YoY
 - 6M/2020: -5% YoY
- CMG Sales
 - Q2/2020 : -33% YoY
 - 6M/2020: -23% YoY

6M/2020 Export Branded Sales by Country



- 6M/2020 Export branded expanded 3% YoY due to sales increase from fruit juice.
- If excluding LQSF (Vietnam), export Branded Business sales increased 13% YoY

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Business Update

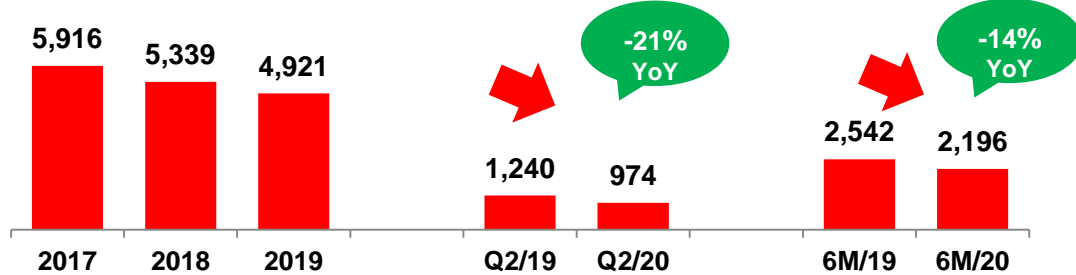
Results of Operations and Profitability

Forward Looking

Financial Highlights

Sales Revenue

Unit: Million Baht

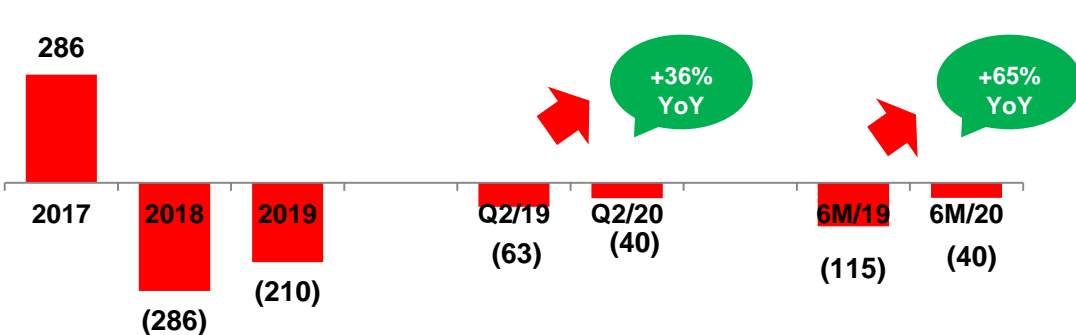


Q2/2020 Sales revenue of Baht 974 million, a decrease of 21% YoY, mainly due to

- 1) Domestic Branded Business sales decreased 18% YoY. This decrease was mainly from the food service channel, such as sales from schools, airlines, hotels, clubs/bars, and restaurants especially in the tourist areas impacted from the COVID-19. Dairy portfolio adjustment also contributed to sales reduction.
- 2) Export Branded Business sales decreased 1% YoY, fairly close to Q2/2019.
- 3) Total Contract Manufacturing Business (CMG) sales decreased 33% YoY, partly effected from the pandemic.

Net Profit

Unit: Million Baht

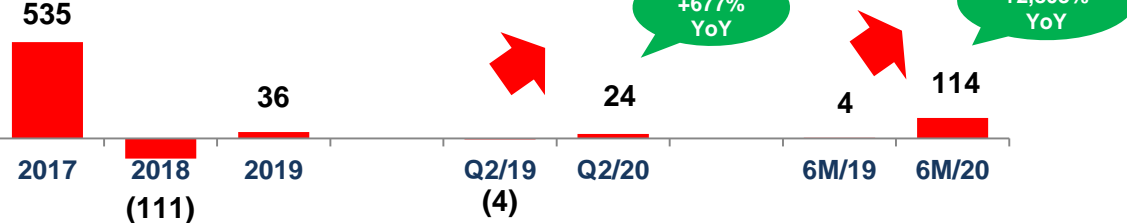


Net Loss of Baht 40 million in Q2/2020 improved from Q2/2019 that recognized net loss Baht 63 million. Cost reduction and selling expense cut and control according to the set goal promoted the Company greater performance., an outstanding loss shown was due to

- 1) Sales shrinkage in CMG and Domestic Branded sales impacted from Covid-19
- 2) Recognition of a one-time net loss from our three joint ventures company termination.

EBITDA

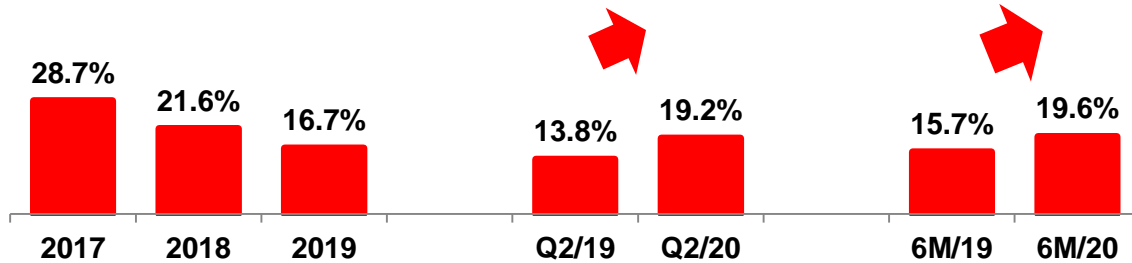
Unit: Million Baht



EBITDA in Q2/2020 was Baht 24 million, an increase of 677% from Q2/2019 that recognized EBITDA Baht -4 million mainly due to the reasons explained above for net profit.

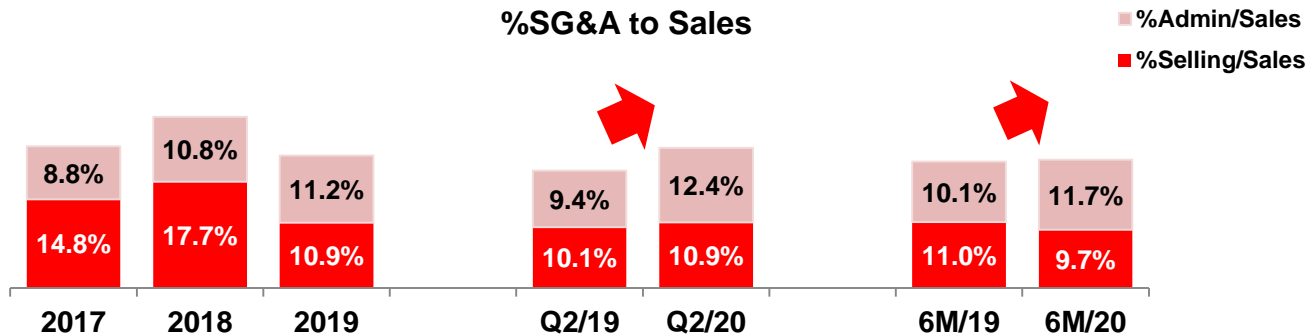
Profitability Margin

%Gross Profit Margin



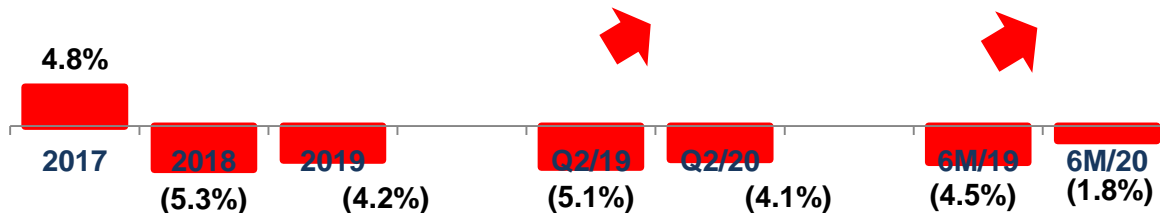
- Gross Profit Margin of Baht 187 million, an increase of 9% YoY, representing gross profit margin of 19.2%, growth from 13.8% in Q2/2019, mainly due to cost of goods sold decline as a result of effective cost of goods sold control.

%SG&A to Sales



- Selling expenses of Baht 106 million, a decrease of 15% YoY, 10.9% selling expenses to sales was relatively close to that of 10.1% in Q2/2019. This was mainly due to efficient selling expense cut and control.
- Administrative expenses of Baht 121 million, an increase of 4% YoY. Administrative expenses to sales increased to 12.4% from 9.4% in Q2/2019, mainly due to sales decreased.

%Net Profit Margin

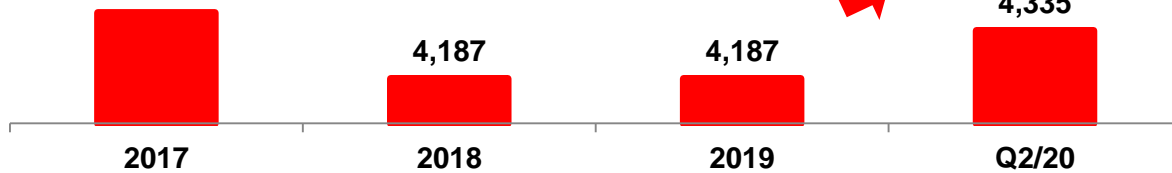


- Net loss of Baht 40 million improved from Q2/2019 that recognized net loss Baht 63 million. While the Company and its subsidiaries performed better, an outstanding loss shown was due to 1) sales shrinkage in CMG and Domestic Branded sales impacted from Covid-19; 2) recognition of a one-time net loss from our three joint ventures company termination.

Statements of Financial Position

Total Assets

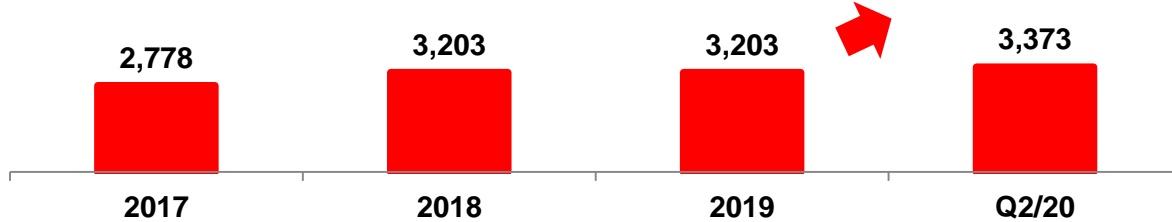
Unit: Million Baht
4,390



- Total Assets of Baht 4,335 million, an increase of 3.5% from Baht 4,187 million as of 31 December 2019. The main factors included an increase in a right-of-use asset and a lease liability for all of leases with leasing term more than 12 months, according to TFRS 16: Lease, effective 1 January 2020. In addition, the Company recorded a rise of inventories.

Total Liabilities

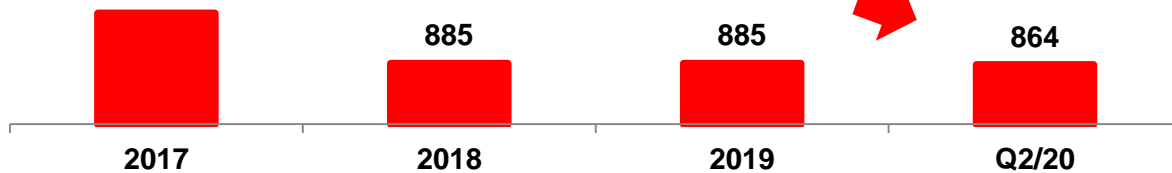
Unit: Million Baht



- Total Liabilities of Baht 3,373 million, an increase of 5.3% from Baht 3,203 million as of 31 December 2019, mainly due to an increase in a right-of-use asset and a lease liability for all of leases with leasing term more than 12 months, as a result of TFRS 16: Lease, effective 1 January 2020.

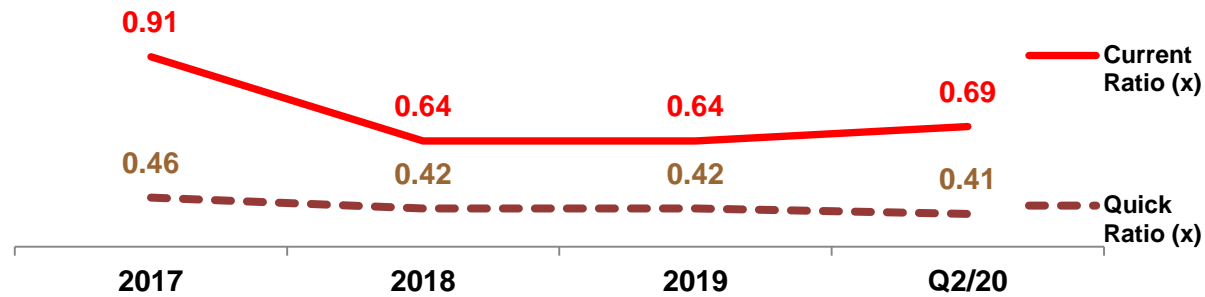
Equity

Unit: Million Baht
1,612

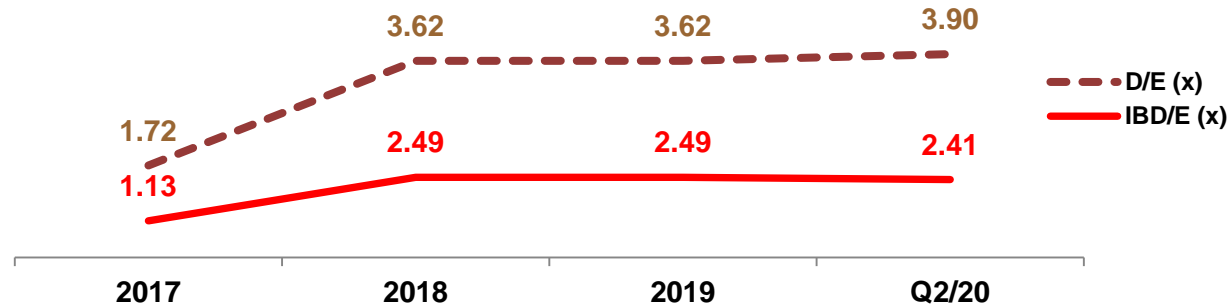


- Total Equity of parent Company's shareholders of Baht 864 million, a decrease of 2% from Baht 885 million as of 31 December 2019, mainly due to H1/2020 net loss.

Liquidity

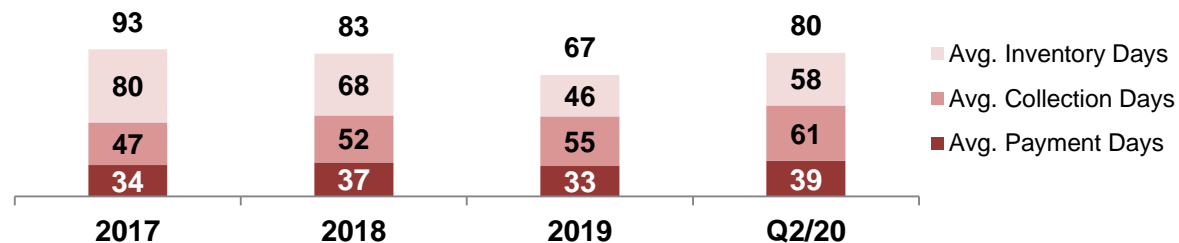


- Increase Current ratio was mainly due to increase in inventories and a decrease in current liabilities which resulted from short – and long-term loans from financial institutions.
- Higher quick ratio was mainly due to an decreased trade receivables with a increase in current portion of long-term loans.



- Increased D/E mainly due to mainly due to an increase in a right-of-use asset and a lease liability for all of leases with leasing term more than 12 months, as a result of TFRS 16 : Lease, effective 1 January 2020. Resulting in total liabilities increased more than the increase of the parent company's shareholders.
- Decreased IBD/E mainly due to decreased interest-bearing liabilities due to repayment of long-term loans and leasing loans.

Cash Cycle Days



- Higher cash cycle days was mainly due to longer Inventory days and collection days
- Longer inventory days was mainly due to a new crop season for canned fruit production.
- Longer collection days was mainly due to higher portion of branded sales whose trade terms are longer than CMG sales.
- Improved payment days was mainly due to higher portion of long credit term suppliers.

AGENDA

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Forward Looking

Forward Looking

Due to a great impact from the COVID-19 crisis in 2020 and continuation of turnaround efforts, the Company will closely monitor the situations and quickly adjust to the rapid changes especially focusing on cash flow management. We will also continue to improve our operation to

- Ramp up asset utilization (i.e. increase capacity utilization)
- Expand Export Branded Business sales
- Improve work processes in all areas for higher efficiency
- Strictly control and reduce costs and expenses
- Minimize CAPEX and investments

Share Endorsements



“Excellent” Level of CG Scoring





Thank You