

Translation

Date: August 10, 2021

Subject: Reporting on the Company's financial performance for the second quarter of 2021

To: President of the Stock Exchange of Thailand

Siam Makro Public Company Limited ("the Company" or "Makro") would like to announce the financial performance of the Company and its subsidiaries for the second quarter ended June 30, 2021, which has been reviewed by its Certified Public Accountant as follow;

	2Q21	1Q21	2Q20	QoQ Change	YoY change
Number of Makro Stores					
Thailand (stores)	138	138	136	-	2
Overseas ⁽¹⁾ (stores)	8	8	8	-	-
Total ⁽¹⁾ (stores)	146	146	144	-	2
Consolidated Financial Performance					
Total sales	53,813	54,868	50,290	(1.9%)	7.0%
Total revenues (million Baht)	54,956	56,097	51,230	(2.0%)	7.3%
Gross profit (million Baht)	5,169	5,534	4,840	(6.6%)	6.8%
Gross profit margin (%)	9.6	10.1	9.6		
EBITDA ⁽²⁾ (million Baht)	2,647	3,207	2,521	(17.4%)	5.0%
Net profit (million Baht)	1,287	1,734	1,179	(25.8%)	9.1%
Earnings per share (Baht)	0.27	0.36	0.25	(25.8%)	9.1%

Remark:

⁽¹⁾ Includes a restaurant/food shop under Food Service APME.

⁽²⁾ Earnings before interest, tax, depreciation and amortization

The Company's performance in the second quarter of this year continued to be affected by the COVID-19 pandemic which obviously worsened in Thailand and the countries where the Company

has business in presence. The resurgence of the outbreak in Thailand and neighboring countries and India nearly the 1Q quarter-end was undeniable causing a burden on the Company's business operation, limiting sales growth and increasing administrative expenses to ensure that Makro staff, customers, business premises as well as goods and products are safe from the COVID-19.

2Q21 Performance Compared to 2Q20 Performance (YoY Comparison)

Total Revenues

In 2Q21, the Company registered consolidated total sales of Baht 53,813 million, a growth of 7.0% YoY, primarily due to a sales growth of Makro Thailand. During the second quarter of last year, Makro Thailand experienced a significant sales drop, especially in April, as a result of the lockdown measure, which led to a slowdown in consumption from HoReCa customers (Hotels, Restaurants, and Catering). This was in addition to other government's precautionary measures – temporary cordoned-off sales of non-essential products, ban of alcohol sales, and postponement of traditional Songkran Holidays.

Food Service APME registered an impressive YoY sales growth in 2Q21, thanks to its strategic sales and marketing initiatives to shore-up sales and soften the impact of the resurgence of COVID-19 which limited the recovery trend of HoReCa and led to further business closure of quite a number of operators.

When aggregating revenue from rendering of services and other income of totaling Baht 1,143 million, representing a growth of 21.6% YoY, the Company posted total revenues of Baht 54,956 million, grew by 7.3% from the same period of last year.

Distribution Costs and Administrative Expenses

In 2Q21, the Company and its subsidiaries incurred Baht 4,561 million of distribution costs and administrative expenses, or equivalent to 8.3% of total revenues, surged by 9.9% YoY. The increase was mainly from a growth of 8.3% YoY in distribution costs, as a result of higher marketing and promotion expenses to boost-up sales.

2Q21 administrative expenses rose by 14.0% YoY, largely from increased personnel expenses upon an increase in number of staff to support business expansion and extraordinary expenses for business continuity management following the resurgence of COVID-19 to ensure that the business operations are effective and that Makro staff, customers, business premises as well as goods and products are safe from the COVID-19.

Net Profits

In 2Q21, the Company reported its consolidated net profit of Baht 1,287 million, grew by 9.1% YoY, owing to strong improvement of Food Service APME and Makro International.

Summary of consolidated financial results for the first half of 2021

For the 1H21, the Company registered consolidated total revenues of Baht 111,053 million, grew by 3.3% YoY, and incurred Baht 106,981 million of distribution costs and administrative expenses, representing an increase of 3.2% from the same period of the preceding year. After deducting finance costs, income tax expense, and non-controlling interests, the Company recorded a consolidated net profit of Baht 3,021 million, or Baht 0.63 per share, increased by 5.6% compared to the same period of the previous year.

Please be informed accordingly.

Yours faithfully,

Siam Makro Public Company Limited

(Saowaluck Thithapant)

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