

Translation

Date: May 11, 2021

Subject: Reporting on the Company's financial performance for the first 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 first quarter ended March 31, 2021, which has been reviewed by its Certified Public Accountant as follow;

	1Q21	4Q20	1Q20	QoQ Change	YoY change
<b>Number of Makro Stores</b>					
Thailand (stores)	138	137	134	1	4
Overseas <sup>(1)</sup> (stores)	8	8	7	-	1
Total <sup>(1)</sup> (stores)	146	145	141	1	5
<b>Consolidated Financial Performance</b>					
Total sales	54,868	55,765	55,159	(1.6%)	(0.5%)
Total revenues (million Baht)	56,097	57,074	56,308	(1.7%)	(0.4%)
Gross profit (million Baht)	5,534	6,093	5,547	(9.2%)	(0.2%)
Gross profit margin (%)	10.1	10.9	10.1		
EBITDA (million Baht)	3,207	3,782	3,160	(15.2%)	1.5%
Net profit (million Baht)	1,734	2,131	1,681	(18.6%)	3.1%
Earnings per share (Baht)	0.36	0.44	0.35	(18.6%)	3.1%

Remark:

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

The Company's performance in the first quarter of this year continued to be affected by the COVID-19 pandemic which was broadly evident in Thailand and countries where the Company has business in presence from mid of 1Q20. The resurgence of the local outbreak late last year was obviously worse than that of the first round. Nonetheless its impact on business activities was less severe, thanks to more targeted and less stringent disease control measures. Despite smaller impact, the second outbreak was undeniable a drag on local tourism recovery which just took off late 3Q20, and would aggravate scarring effects of fragile local economy, limiting recovery trend and purchasing power going ahead.

### 1Q21 Performance Compared to 1Q20 Performance (YoY Comparison)

#### **Total Revenues**

In 1Q21, the Company registered consolidated total sales of Baht 54,868 million, a marginal drop of 0.5% YoY, due to the impact of COVID-19 pandemic (the first outbreak in March last year and a resurgence during mid-December 2020) on food service operators – a key customer group of the Company. Last year performance also incorporated a sales hike in March 2020 from customers' panic buying amid concerns over the COVID-19 first outbreak, in addition to the fact that there was one day less in 1Q21 compared to the first quarter of the preceding year. With the same number of days, 1Q21 sales would have been greater than that of 1Q20.

When aggregating revenue from rendering of services and other income of totaling Baht 1,229 million, the Company posted total revenues of Baht 56,097 million, declined by Baht 211 million or 0.4% from the same period of last year.

#### **Distribution Costs and Administrative Expenses**

In 1Q21, the Company and its subsidiaries incurred Baht 4,442 million of distribution costs and administrative expenses, or equivalent to 7.9% of total revenues, merely grew by Baht 30 million or 0.7% YoY. Distribution costs and administrative expenses risen by 0.8% YoY and 0.5% YoY, respectively. The increases were attributed to store expansion and extraordinary expenses for business continuity management led by the resurgence of COVID-19 pandemic. This is to ensure

that the business operation remains effective and Makro staff, customers, business premises as well as goods and products are safe from the COVID-19.

### **Net Profits**

In 1Q21, the Company reported its consolidated net profit of Baht 1,734 million, grew by 3.1% YoY, owing to the growth of Makro Thailand and Food Service APME and strong improvement of Makro International.

### **1Q21 Performance Compared to 4Q20 Performance (QoQ Comparison)**

The fourth quarter performance has always been the best for the Company due to the seasonal effect. It is normal for the business to record the highest sales, gross profit margin, as well as net profit in the fourth quarter results. Weaker performance of the Company in 1Q21 compared to that of the 4Q20 was considered normal business.

Please be informed accordingly.

Yours faithfully,

Siam Makro Public Company Limited

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(Saowaluck Thithapant)

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