

Policy and Overview

Business Vision and Goal

After You Public Company Limited (Hereinafter “the Company”) is committed to be the leader in the dessert business which emphasizes on the standard of quality, and maintain the popularity of consumers by each of the products under the brand name “After You”. With attention to detail, including the continuous creation of new menus, adding variety to novelty and to accommodate the changing of consumer needs, including the development of business opportunities to enhance the competitiveness in the ASEAN Economic Community (AEC). The Company has planned to add more branches to cover the service area throughout Bangkok metropolitan area, and also plans to expand into large cities in different provinces with high potential and purchasing power. In addition, the Company is seeking opportunities to expand the business into the neighboring countries, along with the expanding distribution channels and diversified product lines as well.

Significant Changes and Progression

Year	Significant Development
2005	- The Company was established as Sea Munch Co., Ltd. by the Kanokwatanawan, T. Suwan, and Kinship family, to operate a restaurant business with the starting capital of Baht 2 million.
2007	- Increased registered capital from Baht 2 million to Baht 5 million in March. - Changed business line and operated as a dessert café, launching under the brand name "After You", opened its first outlet at J Avenue, Soi Thonglor 13.
2008	- Changed the Company name into After You Co., Ltd. to be consistent with the brand.
2009	- Opened the second branch of After You at La Villa, Phaholyothin.
2010	- The Company has structured a group holding company by establishing After You 2007 Co., Ltd. ("After You 2007") on 17 March 2010, and transferred all of the assets from Thonglor's branch into this company. - Opened the new branch at Central World, under the supervision of the Company. - Central World branch was closed down, due to the fire incident at Central World.

Year	Significant Development
2011	<ul style="list-style-type: none"> - Opened two new branches; Siam Paragon and Crystal Park, under the supervision of the Company - Added product lines such as cookies and plastic wrapped dessert for take-away and for souvenirs.
2012	<ul style="list-style-type: none"> - The Company has reorganized its structure and purchased all the assets from After You 2007, which previously transferred from Thonglor branch. - Continuity of branch expansion, both in the shopping center and community mall, opening new three branches of After You at Central Ladprao under the supervision of The Company, and at Int-Intersect Rama III and Silom Complex under the supervision of After You 2007. - Expanded distribution channels such as off-site catering services and wholesale products.
2013	<ul style="list-style-type: none"> - Re-opening of After You in the Central World after the fire incident. - The Company has restructured the group again, by purchasing and transferring all the assets of Int-Intersect Rama III and Silom Complex branches from After You 2007, to be the assets of the Company on 1 July 2013.
2014	<ul style="list-style-type: none"> - Increased registered capital from Baht 5 million to Baht 25 million in July, and onto Baht 50 million in December, to support the branch expansion and operations. - Continuity of branch expansion by opening 2 new branches: The Mall Bangkapi and Siam Square. - Expanded new product line by opening a home-made ice cream shop, under the “Crumb” trademark at Central Embassy in June. - Started selling souvenirs under After You trademark.
2015	<ul style="list-style-type: none"> - Increased the registered capital from Baht 50 million to Baht 54 million in April to support the expansion of operations and branches. - Opened five more branches at: The Crystal Ratchaphruek, Tha Maharaj Mega Bangna, The Mall Bangkae, and Future Park Rangsit, in order to cover the urban areas.

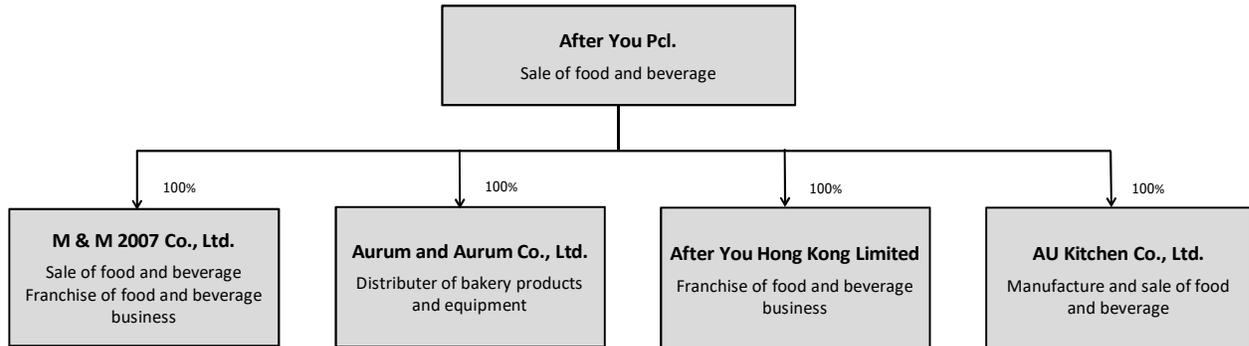
Year	Significant Development
	<ul style="list-style-type: none"> - Established the new factory in Sinsakhon Industrial Estate, Samut Sakhon to support the expansion of business and future growth. - Aurum and Aurum Company Limited, a subsidiary of the Company was registered and established to carry out procurement of raw materials for production to the Company. - Closed the “ Crumb” homemade ice cream shop at Central Embassy, in September because the outcomes failed to meet the expectation.
2016	<ul style="list-style-type: none"> - Started production at the new factory in Sinsakhon Industrial Estates, Samut Sakhon in January. - Continuously expanded After You branch. There were 3 new branches opened at Terminal 21, Seacon Square and Central Pinklao. - Expanded new product line: The ice shave shop “Maygori” was debuted at The Commons, Soi Thonglor 17 in February and its 2nd branch at Siam Square in June. - The Company was transformed into a public company and changed its name to After You Public Company Limited in March. - Changed par value from Baht 100 per share, into the value of Baht 0.10 per share and increased the registered capital from Baht 54 million to Baht 56 million in April 2016. - Increased registered capital from Baht 56 million to Baht 72.50 million, offering 1.50 million shares to the Company's directors, executive and/ or employees for 1.91 million shares and 161.59 million shares to the public. - The Company offered 165 million shares at a par value of Baht 0.10 per share to the public (IPO), including offering to the directors, executive and/ or employees of the Company on 14 - 16 December 2016. - The Company was listed on the MAI on 23 December 2016. - Started construction of new office building to use as an office, employee training facility, and distribution center, to support future business expansion of the Company.
2017	<ul style="list-style-type: none"> - Opened 7 new branches in Bangkok & Vicinities, which were Muang Thong Thani,

Year	Significant Development
	<p>Bangkok Hospital, Esplanade Rachada, MBK, The Promenade, Central Bangna, and Central Westgate.</p> <ul style="list-style-type: none"> - Opened the first branch in up-country at the Mall Korat (Nakorn Rachasrima). - Introduced new product line “After You Durian” at Siam Paragon in May. - The Factory passed and received the certificate of Good Manufacturing Practice (GMP) and Hazard Analysis and Critical Control Points (HACCP) in June. - First time overseas catering at Singapore in September and Malaysia in December. - Started Co-Branding scheme with other companies. - After You Pcl. received a certificate of honor as an outstanding factory according to Plant Governance via 2017 Community Participation Project.
2018	<ul style="list-style-type: none"> - Opened 2 new branches in Bangkok: Offices at Central World and Central Rama 2. - Opened 3 new branches in 3 provinces: Central Festival Chiang Mai, Central Plaza Udonthani and Terminal 21 Pattaya. - Developed packaging to increase the delivery channel by the product will prepared by hand in freshly made desserts from the nearest branch of destination with specially developed packages suitable for the dishes. This helped increasing branches’ sales without additional sales space or café worker. - Launched new take-home products (bun category) which were “ Kanom Pang Noey Sod” (Butter bun with butter filling) and “Kanom Pang Nom Sod” (Butter bun with milk filling). - The factory received the Halal standard in dessert and beverage products with Registration number I 420 / 2018 in October. - After You Hong Kong Co., Ltd., a subsidiary of the Company was registered and established in Hong Kong to support oversea business expansion.
2019	<ul style="list-style-type: none"> - Opened 4 new branches in Bangkok: Icon Siam, 101 The Third Place, The Market Bangkok and Eleven Bangkok. - Opened 2 new branches in up-country: Central Pathong and Central Festival Had Yai.

Year	Significant Development
	<ul style="list-style-type: none"> - Additional investment in machinery to enable the factory to support the increased production capacity for the take-home products, especially the bread which has more new flavors including the production for OEM. - Expanding sales channels especially focusing on the Pop-up Store. Pop-up stores have been set up in 2 different models. The first model is a semi-permanent store where dining areas are available, and the menus offered are closely similar to menus offered in After You dessert café. The second model is a small kiosk where to-go products are mainly sold and setting up areas are usually in a high traffic location. - Started the construction of a new factory building to support the growth in the future, especially exports and overseas. - Expanded new business by opening the first coffee shop under the “ Mikka” trademark at Pattanakarn 25 and the second branch at Siam Nara Market in late December. This business was operated by M & M 2007 Co., Ltd. (formerly named After You 2007 Co., Ltd.), which was the subsidiary of the Company.
2020	<ul style="list-style-type: none"> - Opened 4 new branches in Bangkok: MRT Jatujak, Zen @ Central World, Samyan Mitrtown and Platinum. - Expanded Mikka coffee shop by opening 44 new branches. 12 branches were operated under the Company’ group and 32 branches were operated under the franchise agreement. - Closed After You Durian at Siam Paragon since the rental agreement was expired and the landlord had the plan to renovate the area. - Started new business model by allocating some part of the store to become like a convenience store. Customers could buy products; both company own and from other manufacturers (consignment), for their daily lives, under the name of “After You Marketplace”. - AU Kitchen Co., Ltd., a subsidiary of the Company was registered and established to manufacturer products for the Company and support oversea sale. - The Company was awarded for the Best Company Performance and the Best CEO for listed company in MAI from SET award 2020 on 14 December 2020.

Company's Structure and subsidiary

As at 31 December 2020, the Company has four subsidiaries under its supervision, from which the following business structure implemented.



Nature of Business Operation

Revenue Structure

Revenue structure of the Company and its subsidiaries varied in each of the following types of business:

Business Type	Operated by	2020		2019		2018	
		Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
<u>Sale revenue</u>							
1. Dessert café and beverage shop	Company and subsidiary	699.94	90.50	1,111.13	92.44	832.23	94.73
2. Sale of goods and raw materials	Company and subsidiary	20.39	2.64	46.68	3.88	24.84	2.83
3. Catering and events	Company and subsidiary	44.32	5.73	35.60	2.96	14.02	1.60
4. Franchising	Subsidiary	3.29	0.42	0.90	0.08	-	-
Total sale revenue		767.94	99.29	1,194.31	99.36	871.09	99.16
Other income		5.50	0.71	7.65	0.64	7.39	0.84
Total		773.44	100.00	1,201.96	100.00	878.48	100.00

Remark: Other revenues includes interests, profit from investment, material leftovers, incentive from book sales, revenue recognition from unused gift vouchers, and the other compensation.

Services and Product Lines

1) Dessert cafe and beverage shop

1.1) After You

The Company operates a dessert café under the brand name “After You”, which offers a warm, family-like atmosphere, decorated with the concept of a casual restaurant which easily accessed by customers, all of the features thus create a wide range of customer's genders and ages, or from kids to the elders. At present, therefore, the Company releases more than 100 dessert and beverage products, divided into the following main categories:

- Dessert consists of freshly prepared desserts, served hot with ice cream. The main menu which has been popular among customers are such as Shibuya honey toast, Chocolate lava, and Kakigori, including the breakfast menu made from pancakes, ice cream, cakes.
- Beverages such as tea, coffee, chocolate, fruit juices.
- Souvenirs such as shirts, books, glasses, dessert tools.
- Take-home products and products to be purchased as souvenirs such as cookies, bread, toffee cake, to-go drinks.



Shibuya honey toast



*Strawberry cheesecake
kakigori*



Hot latte



To-go drinks



Chocolate lava



*Hazelnut Pancake with
Nutella sauce*



Boba caramel milk tea



Souvenirs

In September 2020, the Company introduced the new business model by allocating some part of the dessert store to feature various products for customers to shop within the store under the name of “After You Marketplace”. Products are from the Company’s own and other manufacturers (consignment). The new business model does not only increase the Company’s revenue but also change the look of After You which formerly is a dessert shop that focuses on sitting and eating, into a new store concept that encourage customers to walk around and shop for daily necessities, corresponding to the changing customer behavior. In addition, the new model can serve as an

activity for queuing customers. The Company opened After You Marketplace in 11 branches in 2020.

As at 31 December 2020, After You operated in 41 branches; two of which were temporary closed due to the Covid situation, The Market Bangkok and Central Pathong.

1.2) Maygori

In 2015, the shave ice menu called 'Kakigori' which served in After You Dessert café received popularity and a very good response from consumers, and therefore in 2016, the Company envisioned a business opportunity to expand its consumer base. Consequently, the Company expanded the product line to ice shave shop under the name “Maygori”. The decoration of this shop aims at comfortable atmosphere and makes the customer feel at home, with the menu concept of Thai traditional dessert, i.e. shave ice topping with tropical fruits. The regular customers for this menu are diverse, not just students, but also women and the elderly There are also variety of shave ice menus such as Ichigo and yogurt, Mont Blanc Chestnut, Hojicha, Ume, etc.



Ichigo and Yogurt



Mont Blanc Chestnut



Hojicha



Ume

As at 31 December 2020, Maygori operated in 1 branch but was temporary closed due to the Covid situation.

1.3) Mikka coffee shop

In December 2019, M & M 2007 Co., Ltd., a Company's subsidiary, introduced the small coffee shop under the “Mikka” trademark. The decoration of this shop is in Japanese style with warm and comfortable atmosphere. The shop offers various grab & go products such as coffee, cocoa, tea, soda, desserts and snacks.



Mikka (Coffee with honey)

Noir (Cocoa)

Brick (Thai tea)

Barbie (Pink milk)

Ruby (Red lime soda)



Example of Mikka shop model

As at 31 December 2020, the Company Group operated 12 Mikka branches and 2 temporary shops.

2) Sale of goods and raw materials and OEM

The Company produces products under the Company's trademark for various groups of customers such as banks and financial institutions, airline operators and restaurants. Main products are such as pie, cookie, bread, and snack box for customers on various occasions. The Company also sells raw materials and products, both normal and customized products to meet the need of each customer.

In addition, the Company sells goods and raw materials to After You franchisee in Hong Kong while the subsidiary sells goods and raw materials to Mikka franchisee.



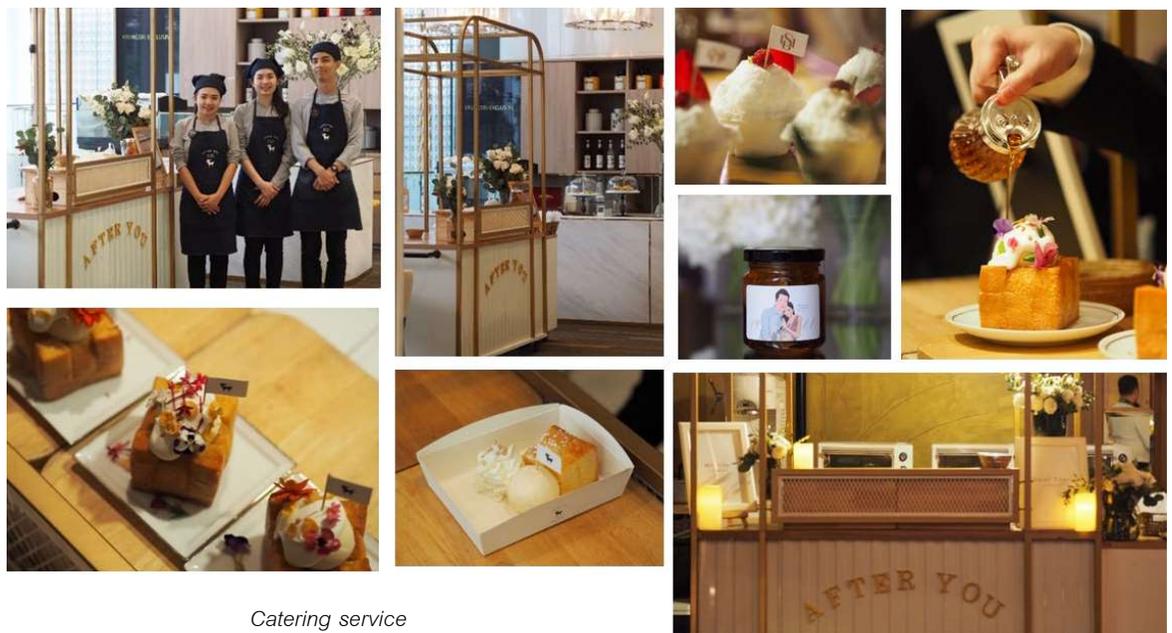
Products under the Company's trademark for various customers

3) Catering and events

The Company has expanded its distribution channel into the off-site catering services such as party, wedding and events. Main products offered are such as Shibuya honey toast, Chocolate lava, Strawberry crumble, etc. In addition, to meet the need of consumers, the Company has expanded its distribution channels by focusing on selling through pop-up stores which have been set up in 2 different models. The first model is a small kiosk where To-Go products are mainly sold and are usually located in a high traffic location such as BTS and MRT. The second model is a semi-permanent store where dining areas are available and are usually located in various department stores. Menus offered are closely similar to menus offered in After You dessert cafe. Pop-up stores have benefited the Company in many ways, including market trial in various areas. Due to small amount of time and money invested, the Company has flexibility to expand the area to reach potential customers.



Events and Pop-up stores



Catering service

4) Franchise

The Company grants the right to After You Hong Kong Co., Ltd., a subsidiary, to operate After You franchise model in overseas. As at 31 December 2020, there was one After You branch in Hong Kong.

In addition, M & M 2007 Co., Ltd., a subsidiary, grants the right to operate Mikka coffee shop to those who are interested in coffee shop business. As at 31 December 2020, there were 34 Mikka branches under the franchise agreement with the Company Group.

Market and Competition

Making a Difference in Products and Services

Factors that affect the Company's steadily growth in the dessert and bakery business are the variety of our products and services which differentiate us from other operators, in the following aspects.

1) Brand Awareness

Since the opening of the first branch of dessert and bakery café under the brand name "After You" in 2007, the Company has been well recognized by consumers, either via the word of mouth or social network communication, about the quality of our products and services, resulting in the popularity among the consumer which increase rapidly and continuously until present. After You Dessert Cafe started with the passion for sweet dessert in the childhood of Ms. Gulapat Kanokwatanawan, a major shareholder of the Company, coupling with her long time experience of making desserts, including the writing of "May Made" dessert recipe book, all of which making 'After You' well known among people who love to make and eat desserts. Assembled with the identity of the café is a dessert served hot, plus the attention to detail, and the continuity of new menus, combining with the cozy and friendly decoration concept, all are factors which make After You maintains popularity among people of all ages, from children, students, workers, to the elders.

2) Quality and Taste

The Company has a policy of focusing on inventing new products continuously and offering products which are different from competitors, in the aspect of quality, and the freshness of raw materials used, including a variety of products, to the customers. The Company first started with