



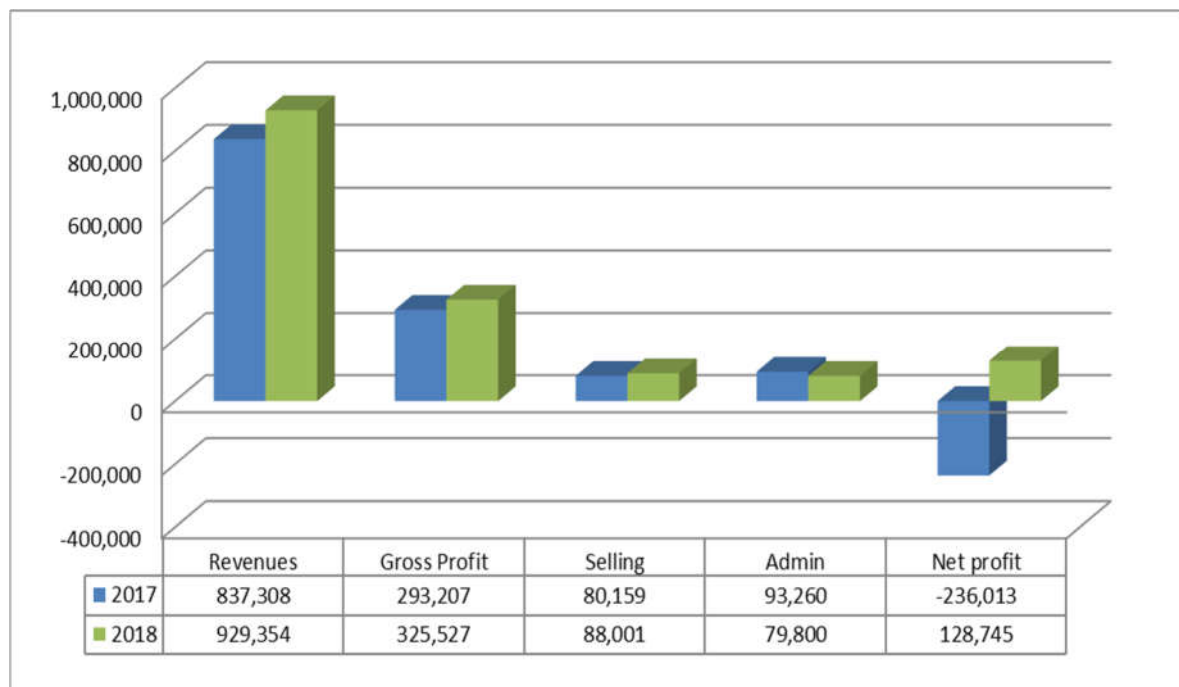
Ref. No. 1902-009EN

February 21, 2019

Subject: Operating Result Clarification for the year 2018 (Ending December 31, 2018)

To: Director and Manager of the Stock Exchange of Thailand

Ubis (Asia) Public Company Limited (“the Company”) would like to clarify on operating results and the financial position had varied over 20 percent for the year 2018 ending on December 31, 2018 of the Company and its subsidiaries by having the main substance is as follows.



(Unit: Thousand Baht)

	Revenues	Gross Profit	Selling	Admin	Net profit
2017	837,308	293,207	80,159	93,260	-236,013
2018	929,354	325,527	88,001	79,800	128,745
Change	92,046	32,320	7,842	-13,460	364,758
% Change	11.0	11.0	9.8	(14.4)	154.5

In overall, the Company and its subsidiaries had the net profit in the year 2018 at 128.7 MB increased 364.8 MB by 154.6 percent when compared to the year 2017 at 236.0 MB. Therefore, the Company would like to clarify the operating results as following essential information:

- **Revenue**

In the year 2018, the Company and its subsidiaries had total revenue of 929.4 MB, increased from the year 2017 at 92.0 MB by 11.0 percent (by increasing from domestic sales at 15.2 percent and 8.2 percent from export sales)

- **Gross profit margin**

In the year 2018, the Company and its subsidiaries had the total gross profit of 325.5 MB increased from the year 2017 at 32.3 MB by 11.0 percent while the gross profit margin was 35.0 percent (35.0 percent in the year 2017). The gross margin was higher as the company could be controlled the volatility of raw material prices. In addition, the production and sales in this quarter decreased the cost per unit.

- **Sales Expenses**

In the year 2018, the Company and its subsidiaries had the expenses of 88.0 MB increased from the year 2017 at 7.8 MB by 9.8 percent (80.0 MB in the year 2017) mainly increased from the transportation cost.

- **Administrative Expenses**

In the year 2018, the Company and its subsidiaries had the expenses of 79.8 MB decreased from the year 2017 at 13.4 MB by 14.4 percent (93.2 MB in the year 2017) mainly decreased from travelling expenses and consultation fee etc.

- **Finance Cost**

In the year 2018, the Company and its subsidiaries had the financial cost 8.2 MB decreased 12.5 MB by 60.1 percent from the year 2017 (20.8 MB)

The overall financial statuses of the Company and its subsidiaries as of December 31, 2018 with the comparison to the financial status as of December 31, 2017 are summarized as below:

- **Assets**

As of December 31, 2018, the Company and its subsidiaries had a total asset by 702.7 MB which decreased from December 31, 2017 at 1.5 MB and decreased when comparing with cash or equate with cash by 42.9 MB and increased 54.8 MB of account receivable and decreased of the inventory stocks at 0.7 MB and decreasing of the other current asset at 7.0 MB and 4.9 MB for the non-current asset and others assets 0.8 MB

- **Liabilities**

As of December 31, 2018, the Company and its subsidiaries had a total liability of 311.4 MB decreased 130.7 MB from December 31, 2017 and having overdrawn and the short-term loan decreased 165.7 MB and account payable increased 31.6 MB and other liabilities decreased 3.1 MB and increasing 2.2 MB from Income Tax Payable and increasing of the other liabilities 0.9 MB and employee benefit obligations increased 3.4 MB



• **Shareholders' Equity**

As of December 31, 2018, the Company and its subsidiaries had total shareholder equity of 391.3 MB, increased from December 31, 2017 at 129.2 MB due to the Company and its subsidiaries had net profit for in the year 2018 at 128.8 MB and other 0.4 MB

• **Cash Flow**

Based on the results for in the year 2018, the company had cash flow as following details

- Net cash flow from operating activities was 138.6 MB when compared with the year 2017 will be increased 53.4 MB came from debt repayment increased and decreasing in inventory stocks in the year 2018 resulted in cash and cash equivalents creasing.
- Cash flow from the investment 4.3 MB when compared with the year 2017 decreased 10.2 MB from the fixed assets investment decreasing
- Cash flow from financing activities in the year 2018 was 177.6 MB decreased at 77.2 MB when compare with the year 2017 from the repayment of the short-term loan to the financial institution

The company's strategy for 2019

The Company targets to grow 10% in sales from 2018 (929 Million THB) by focusing on both domestic and export markets. The latest announcement in Jan 2019 from The European Commission which delists Thailand from the group of "warned countries" as recognition of the progress in tackling illegal, unreported and unregulated fishing (IUU Fishing). This shall enhance the growth in export canned products from Thailand in coming years.

Export market accounts for 60% of the total Company sales, therefore, it remains very critical to the Company to expand our reach to new regions such as Middle East , Latin America , Europe and Africa. Following the appointments distributors and agents in Mexico , Chile , Brazil , Peru and Egypt , we have realized some repeated orders which means these are potential markets.

We will work hard to maintain our market share in domestic market by improving our sales strategy, developing new products fulfilling market needs and continuing to grow our export market by strengthen our brand among multinational companies.

Sincerely yours,

(Ms. Sopha Nachanhom)
Company Secretary

