

# JUBILEE ENTERPRISE

PUBLIC COMPANY LIMITED

No. CS09/2021

August 13<sup>th</sup>, 2021

Subject: Declaration of Operating Results for the 2<sup>nd</sup> quarter ended 30 June 2021

Attn: Director and Manager,  
The Stock Exchange of Thailand

With respect to the financial information for the 2<sup>nd</sup> quarter ended 30 June 2021, as submitted by the Company, which has been audited by the external auditor, considered by the Audit Committee, and approved by the Company's Board of Directors on August 11, 2021, the Company wishes to report further clarifications in summary as follows:

## Summary of the Company's operating result

The Company's operating result for the 1<sup>st</sup> half year 2021, the Company has revenue from sales in amount of baht 675.8 million, increases by 9.6% from the same period of last year. Gross profit margin is equal to 47.6%. Net profit for the 6-month period ended 30 June 2021 in amount of Baht 87.9 million, increased by Baht 5.4 million or is equal to 6.6% from the same period of last year. Earnings per share is Baht 0.50 per share, increased from 2020 that showed Baht 0.47 per share.

## Statement of Comprehensive Income

For the three-month period ended 30 June

Unit: Million Baht	2 <sup>nd</sup> Quarter 2021		2 <sup>nd</sup> Quarter 2020 (Revised)		YOY	%
Revenue from sales	270.51	100.00%	251.76	100.00%	18.74	7.44%
Cost of sales	(141.50)	(52.31%)	(126.86)	(50.39%)	14.64	11.54%
<b>Gross profit</b>	<b>129.01</b>	<b>47.69%</b>	<b>124.91</b>	<b>49.61%</b>	<b>4.10</b>	<b>3.28%</b>
Other income	2.70	1.00%	0.81	0.32%	1.89	234.16%
Selling expenses	(65.57)	(24.24%)	(55.94)	(22.22%)	9.64	17.23%
Administrative expenses	(30.29)	(11.20%)	(21.51)	(8.54%)	8.78	40.83%
Finance cost	(1.08)	(0.40%)	(0.97)	(0.39%)	0.11	11.44%
<b>Profit before income tax</b>	<b>34.76</b>	<b>12.85%</b>	<b>47.30</b>	<b>18.79%</b>	<b>(12.54)</b>	<b>(26.51%)</b>
Tax expenses	(8.20)	(3.03%)	(11.14)	(4.42%)	(2.94)	(26.35%)
<b>Net profit for the period</b>	<b>26.55</b>	<b>9.81%</b>	<b>36.16</b>	<b>14.36%</b>	<b>(9.60)</b>	<b>(26.56%)</b>

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- Overall situation in the 2<sup>nd</sup> quarter 2021, the Thai Economy has affected from the spread of the third wave of COVID-19 since beginning of Q2'2021, which has been worsened. Although the government did not have command to lockdown and the department store was not closed as same as Q2'2020, but the consumer purchasing power may decrease due to COVID-19 situation. However, the Company always prompt to adjust the strategy to the situation. Therefore, the company still able to generate income of Baht 270.5 million, increased by Baht 18.7 million or equal to 7.4% from the same period of last year. The increase was mainly from same store sales growth and online sales 7.2% and revenue from new store 0.8%, which resulted from continuously launching marketing campaign and adjusted marketing strategy e.g. Facebook Live to introduce products and had got good feedback from customers.
- Gross profit margin decreased from the same period of last year from 49.6% to 47.7%, resulted from marketing campaign and promotion, however the Company still maintain gross profit level not less than 45%. The net profit for the period decreased from the same period of last year from Baht 36.2 million to Baht 26.6 million or decreased by 26.6% and net profit margin is equal to 9.8%
- Selling expenses for the 2<sup>nd</sup> quarter 2021 is at Baht 65.6 million or 24.2% of revenue from sales while in 2020 was at Baht 55.9 million or 22.2% of revenue from sales. Selling expenses increased by Baht 9.6 million or 17.2% from the same period of last year, mainly increased from marketing expenses, rental expense, and staff cost for sale staff since the department stores did not closed same as 2<sup>nd</sup> quarter last year which no rent was charged.
- Administrative expenses for the 2<sup>nd</sup> quarter 2021 is at Baht 30.3 million or 11.2% of revenue from sales while in 2020 was at Baht 21.5 million or 8.5% of revenue from sales, increased by Baht 8.8 million or equal to 40.8%. The increase was mainly due to office rent expenses, staff cost, and loss from exchange rate.
- Finance cost incurred from recognition of interest expenses from adoption of TFRS 16 – “Leases”, for the 2<sup>nd</sup> quarter 2021 is at Baht 1.1 million or equal to 0.4% of revenue from sales, close to 2020 was at Baht 1.0 million or equal to 0.4% of revenue from sales.

## For the six-month period ended 30 June

Unit: Million Baht	6-month 2021		6-month 2020 (Revised)		YOY	%
Revenue from sales	675.82	100.00%	616.52	100.00%	59.30	9.62%
Cost of sales	(354.45)	(52.45%)	(310.73)	(50.40%)	43.73	14.07%
<b>Gross profit</b>	<b>321.37</b>	<b>47.55%</b>	<b>305.80</b>	<b>49.60%</b>	<b>15.57</b>	<b>5.09%</b>
Other income	3.66	0.54%	1.52	0.25%	2.14	141.01%
Selling expenses	(144.97)	(21.45%)	(130.14)	(21.11%)	14.83	11.40%
Administrative expenses	(65.23)	(9.65%)	(67.75)	(10.99%)	(2.52)	(3.73%)
Finance cost	(2.42)	(0.36%)	(2.69)	(0.44%)	(0.27)	(9.97%)
<b>Profit before income tax</b>	<b>112.41</b>	<b>16.63%</b>	<b>106.74</b>	<b>17.31%</b>	<b>5.68</b>	<b>5.32%</b>
Tax expenses	(24.51)	(3.63%)	(24.26)	(3.94%)	0.24	0.99%
<b>Net profit for the period</b>	<b>87.91</b>	<b>13.01%</b>	<b>82.47</b>	<b>13.38%</b>	<b>5.44</b>	<b>6.59%</b>

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- Overall situation for the 1<sup>st</sup> half year 2021, the COVID-19 continue spreading since early year until Q2' 2021, has been worsened. However, the Company always prompt to adjust the strategy to the situation and apply new marketing strategy e.g. the Company cooperated with LINEMAN for sending surprised gift to lovers during valentine day, Facebook Live with Mor Chang Tossapol Sritula, well – known astrologer in Q2'2021. Regarding the product, there are the new collections launched during Chinese New Year and Valentine's day, and for advertisement there is always new marketing content created and published on social media. Therefore, the company can generate revenue from sales of Baht 675.8 million, increased by Baht 59.3 million or increased by 9.6% from the same period of last year. The increase was mainly from same store sales growth and online sales 9.6% and revenue from new store 1.1%, which resulted from good feedback from customer due to continuously launching marketing campaign.
- Gross profit margin decreased from the same period of last year from 49.6% to 47.6%, resulted from marketing campaign and promotion. However, the Company still maintain gross profit level not less than 45% according to the target and still able to manage product mix efficiently. Net profit margin is equal to 13.0% and net profit for the period increased from the same period of last year from Baht 82.5 million to Baht 87.9 million or increased by 6.6%.
- Selling expenses for the six-month period 2021 is at Baht 145.0 million or 21.5% of revenue from sales while in 2020 was at Baht 130.1 million or 21.1% of revenue from sales, increased by Baht 14.8 million or equal to 11.4% from the same period of last year. The increase was mainly increased in marketing expenses, rent expenses, and staff costs for sale staff since the department stores did not closed same as 2<sup>nd</sup> quarter last year.
- Administrative expenses for the six-month period 2021 is at Baht 65.2 million or 9.7% of revenue from sales while in 2020 was at Baht 67.8 million or 10.3% of revenue from sales, decreased by Baht 2.5 million or equal to 3.7%. The decrease was mainly due to reducing in loss from exchange rate.
- Finance cost incurred from recognition of interest expenses from adoption of TFRS 16 – “Leases”, for the six-month period 2021 is at Baht 2.4 million or equal to 0.4% of revenue from sales while in 2020 was at Baht 2.7 million or equal to 0.4% of revenue from sales, decreased by 10.0% from the same period of last year.

## Significant financial Ratio

- Current Ratio 4.54 times
- Inventory Turnover Day 333 days
- Account Payable Day 138 days  
(Credit term with account Payable usually has a period of 1-4 months)
- Account Receivable Day 27 days  
(Credit term with account Receivable usually has a period of 1 month)

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During the third quarter of the year 2020, the Company has reviewed the accounting information and found errors of measured and recognised right-of-use assets and lease liabilities as at 1 January 2020, from initial application of TFRS 16. The Company has retrospectively adjusted the interim financial statements for the second quarter ended 30 June 2020 as if errors had been corrected in the periods in which it was made. The impacts for the statement of comprehensive income for the three-month period ended 30 June 2020 is as follow:

	Thousand Baht		
	As previously reported	Adjustments	As restated
Distribution costs	52,768	3,168	55,936
Administrative expenses	24,656	(3,146)	21,510
Finance costs	2,485	(1,514)	971
Tax expense	10,841	298	11,139
Profit for the period	34,963	1,194	36,157
Total comprehensive income for the period	34,963	1,194	36,157
Earnings per share (Baht)	0.20	0.01	0.21

The impacts for the statement of comprehensive income for the six-month period ended 30 June 2020 is as follows:

	Thousand Baht		
	As previously reported	Adjustments	As restated
Distribution costs	130,078	66	130,144
Administrative expenses	66,571	1,183	67,754
Finance costs	7,002	(4,315)	2,687
Tax expense	23,651	613	24,264
Profit for the period	80,018	2,453	82,471
Total comprehensive income for the period	80,018	2,453	82,471
Earnings per share (Baht)	0.46	0.01	0.47

Please be informed accordingly.

Sincerely yours,

(Unyarat Pornprakit)  
Director and Chief Executive Officer  
Jubilee Enterprise Public Company Limited

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