

SBN 013/2021

November 15, 2021

Subject : Operating Result for the third quarter of 2021

To : The Managing Director, The Stock Exchange of Thailand

In the third quarter of 2021, the Thai economy continues to face the impact of a new wave of COVID-19 epidemic since the end of 2020. Strict disease control measures that took place during the 7-8 months that required the closure of stores as ordered by the government caused consumer purchasing power and various economic activities to deteriorate. However, the government has relaxed measures to prevent the spread of COVID-19 in september ,this makes the trend of consumer purchasing power and economic conditions improve.

The company has used various marketing strategies and targets. including controlling costs and expenses to deal with the situation As a result, the 9M operating results in 2021 can make a profit equal to 196.2 million baht.

Sabina Public Co.,Ltd. Would like to clarify the operating result for the third quarter of 2021 as follows:-

Million Baht	Q3	Q3		Q2		9M	9M	
	2021	2020	YoY%	2021	QoQ%	2021	2020	YoY%
Revenue from sales	541.0	808.9	-33.1%	625.7	-13.5%	1,831.9	2,140.0	-14.4%
Revenue from service	-	-	-	-	-	-	-	-
<b>Total revenue from sales &amp; service</b>	541.0	808.9	-33.1%	625.7	-13.5%	1,831.9	2,140.0	-14.4%
Cost of sales	268.1	428.3	-37.4%	317.3	-15.5%	933.5	1,147.8	-18.7%
<b>Gross profit</b>	272.9	380.6	-28.3%	308.4	-11.5%	898.3	992.1	-9.5%
%	50.4%	47.1%		49.3%		49.0%	46.4%	
Other Income	6.1	6.2	-1.7%	7.4	-17.1%	20.7	14.8	40.4%
<b>Total Revenue</b>	547.2	815.1	-32.9%	633.1	-13.6%	1,852.6	2,154.7	-14.0%
Selling and Administrative expenses	207.9	277.5	-25.1%	236.9	-12.3%	668.6	740.5	-9.7%
<b>Profit before interest &amp; tax</b>	71.1	109.4	-35.0%	78.9	-9.8%	250.5	266.4	-6.0%
%	13.0%	13.4%		12.5%		13.5%	12.4%	
Finance costs	1.2	2.0	-39.0%	1.1	5.6%	3.7	7.1	-47.7%
Income tax	14.8	21.6	-31.7%	15.1	-2.5%	50.5	52.6	-4.0%
<b>Profit for the period</b>	55.2	85.8	-35.7%	62.6	-11.9%	196.2	206.7	-5.0%
%	10.1%	10.5%		9.9%		10.6%	9.6%	

## Total Revenue

In 3Q21, the total revenue was Baht 547.2 million, decreased 32.9% from 3Q20 and decreased 13.6% from 2Q21.

In 3Q21, the revenue from sales and service was Baht 541.0 million, decreased 33.1% from 3Q20 and decreased 13.5% from 2Q21.

In 9M21, the total revenue was Baht 1,852.6 million, decreased 14% from 9M20.

In 9M21, the revenue from sales and service was Baht 1,831.9 million, decreased 14.4% from 9M20

## Revenue by type

Unit : Million Bht.

	Q3		Q3		YoY%		9M		9M		YoY%	
	2021	%	2020	Q3 21/Q3 20	2021	%	2020	9M 21/9M 20	2020	9M 21/9M 20	2020	9M 21/9M 20
Sabina - Retailer	272.9	50%	572.7	-52.3%	1,103.1	60.2%	1,457.5	-24.3%				
- Non store retailing	181.3	34%	145.1	24.9%	475.8	26.0%	429.0	10.9%				
- Export	4.8	1%	10.8	-56.1%	44.5	2.4%	45.9	-3.2%				
OEM	82.1	15%	80.3	2.2%	208.4	11.4%	207.5	0.5%				
<b>Total</b>	<b>541.0</b>	<b>100%</b>	<b>808.9</b>	<b>-33.1%</b>	<b>1,831.9</b>	<b>100%</b>	<b>2,140.0</b>	<b>-14.4%</b>				

### Revenue by type 3Q21

- The sales Revenue of Sabina-brand was Baht 272.9 million, decreased 52.3% from 3Q20.
- The sales Revenue of Sabina-brand Non store retailing was Baht 181.3 million, increased 24.9% from 3Q20.
- The sales Revenue of Sabina-brand Export was Baht 4.8 million, decreased 56.1% from 3Q20.
- The sales Revenue from OEM was Baht 82.1 million, increased 2.2% from 3Q20.

### Revenue by type 9M21

- The sales Revenue of Sabina-brand was Baht 1,103.1 million, decreased 24.3% from 9M20.
- The sales Revenue of Sabina-brand Non store retailing was Baht 475.8 million, increased 10.9% from 9M20.
- The sales Revenue of Sabina-brand Export was Baht 44.5 million, decreased 3.2% from 9M20.
- The sales Revenue from OEM was Baht 208.4 million, increased 0.5% from 9M20.

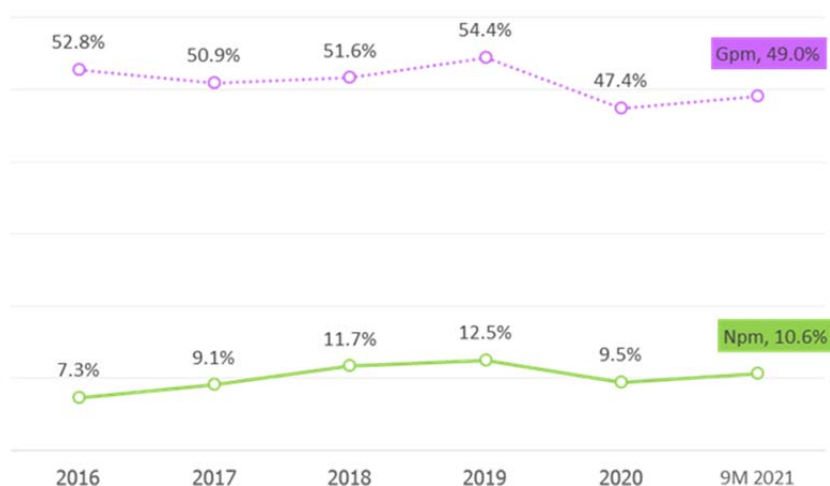
In the third quarter, the company has adjusted the offline sales staff at stores that have been locked down in 29 provinces to sell online by using the Sabina@home program. During the lock down, the company continuously releases new products, especially products suitable for work from home such as Nipple pad, Soft bar, plus side, etc, and there is also a campaign for single-priced products such as 350, 450 and 550 baht to match the purchasing power during the recession because of Covid. Nsr sales in both e-commerce and social commerce platforms are very active during lockdown, such a single-price campaign encourages online sales to grow faster.

### Comparison of revenue proportion 9M21



From the chart, it can be seen that the proportion of income from the 4 main structures of the company, there is a change in revenue from retail stores that changed from 79% 2019: 69% 2020: 60% 9M21 with less proportion, the revenue from non-retailing sales increasing by 10% 2019: 19% 2020: 26% 9M21 which is in line with consumer behavior that has changed to new normal, more online shopping including NSR sales this can enable the company to save more on selling and administrative expenses, resulting in higher net profits. The revenue from Sabina export the proportion is unchanged, the revenue from OEM increased by 9% 2020: 11% 9M21.

### Gross profit



In 3Q21, gross profit amounted to Baht 272.9 million or 50.4% which decreased 11.5% from 2Q21, and decreased 28.3% from 3Q20.

In 9M21, gross profit amounted to Baht 898.3 million or 49.0% which decreased 9.5% from 9M20.

One price campaign this allows the company to maintain costs better than a percentage price reduction during deflation. On the manufacturing side, the company resumed its more profitable underwear production than fabric mask production in 3Q20.

### **Selling and Administrative expenses**

In 3Q21, selling and administrative expenses amount to Baht 207.9 million or 38% of total income, which is decreased 25.1% from 3Q20.

In 9M21, selling and administrative expenses amount to Baht 668.6 million or 36.1% of total income, which is decreased 9.7% from 9M20 which was 34.4% on the total income.

Effectively lowering costs is due to the use of marketing budgets that focus on promotions more than 3Q20, as well as focusing on online marketing spending that meets the target group can reflect sales. It can be seen that it is more effective than offline marketing in the past. Lock down also helps the company save on store rent but instead focuses on DTC (Direct to customer) sales that don't need to rent space or rent shop on sale. These direct sales have increased many channels from the Covid situation, which will become the next normal, resulting in the company can reduce costs even more in the future as well.

### **Net profit**

- In 3Q21, net profit amounted to Baht 55.2 million or 10.1% decreased 35.7% from 3Q20 and decreased 11.9% from 2Q21.

- In 9M21, net profit amounted to Baht 196.2 million or 10.6% decreased 5.0% from 9M20.

Increased net profit margin from learning to live with Covid for 3 rounds, making the company learn the benefits For example, merging some departments together to reduce costs, increase staff competency, and from work from home, training from home, sales from home, as well as travel expenses, accommodation costs, reducing sales space and reducing office space. These were set to be new policies after the COVID-19 pandemic in order to boost profit margins even further in the years to come.

## Essential Financial Information

Unit: Million Baht

	<b>Consolidated financial statements</b>		
<b><u>Performance</u></b>	<b>2019</b>	<b>2020</b>	<b>9M</b>
1. Total incomes	3,294.96	2,913.83	1,852.59
2. Incomes from sales and services	3,279.74	2,898.00	1,831.88
3. Gross profit	1,785.61	1,373.20	898.30
4. Operating profit	504.83	332.11	229.70
5. Net profit	413.25	276.81	196.22
<b><u>Financial Status</u></b>			
1. Total assets	3,017.91	2,803.94	2,600.25
2. Total liabilities	1,156.97	1,008.83	883.08
3. Total shareholder's equity	1,860.94	1,795.11	1,717.17
<b><u>Financial Ratio</u></b>			
<b><u>Liquidity Ratio</u></b>			
Current ratio (times)	2.33	2.54	2.87
Account receivable turnover (times)	8.00	7.10	7.49
Inventory turnover (times)	1.11	1.03	0.93
Account payable turnover (times)	8.43	10.96	9.82
<b><u>Profitability Ratio</u></b>			
Gross profit margin (%)	54.44	47.38	49.04
Net profit margin (%)	12.54	9.50	10.59
Return on equity (%)	22.36	15.14	15.48
<b><u>Efficiency Ratio</u></b>			
Returns on assets (%)	14.71	9.51	9.87
<b><u>Financial Policy Ratio</u></b>			
Debt to equity ratio (times)	0.62	0.56	0.51

In 9M21 overview of operating results under the epidemic situation of Covid-19, government lockdown, purchasing power and economic recession, the release of government lockdown in 2021.

In 9M21 Net profit was 196.2 million baht, or 10.6%.

As of September 30, 2021, financial assets were baht 2,600.2 million, decreased baht 203.7 million from 2020 due to a decrease in trade accounts receivable compared to the end of 2020 at 96.4 million baht. As a result of the purchasing power of consumers is not stable from the situation during 3Q21.

As of September 30, 2021, inventories were 1,366.8 million baht, decreased baht 37.1 million from 2020 as a result of production management: sourcing of finished goods; inventory management in accordance with the amount of sales that occur and to the situation of the economy during that period for maximum efficiency, does not cause excessive costs and expenses as well as the liquidity of the company.

**Dividend payment**

The company had the dividend payment policy stipulated that dividends shall be paid at the rate of not less than 40 % of net profit after deduct tax and statutory reserve. The company A legal reserve in full. Therefore, the company is not required to allocate the net profit as a legal reserve.

On August 13, 2021, Board of Directors Meeting No. 3/2021 considered to pay interim dividend payment for the first six months of the year 2021 operating results at the rate of Baht 0.41 per share, with 347.50 Million shares totaling 142.475 Million Baht. Regarding the above dividend distribution, the shareholder is subjected to withholding tax. The individual shareholder shall be entitled to a tax credit under Section 47 bis of the Revenue Code. The record date for the shareholders who have right to receive the interim dividend will be on August 27, 2021. The dividend payment on September 10, 2021.

Please be informed accordingly.

Respectfully yours,

(Mr.Somkid Pardungkiattisak)

Director