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November 10, 2022

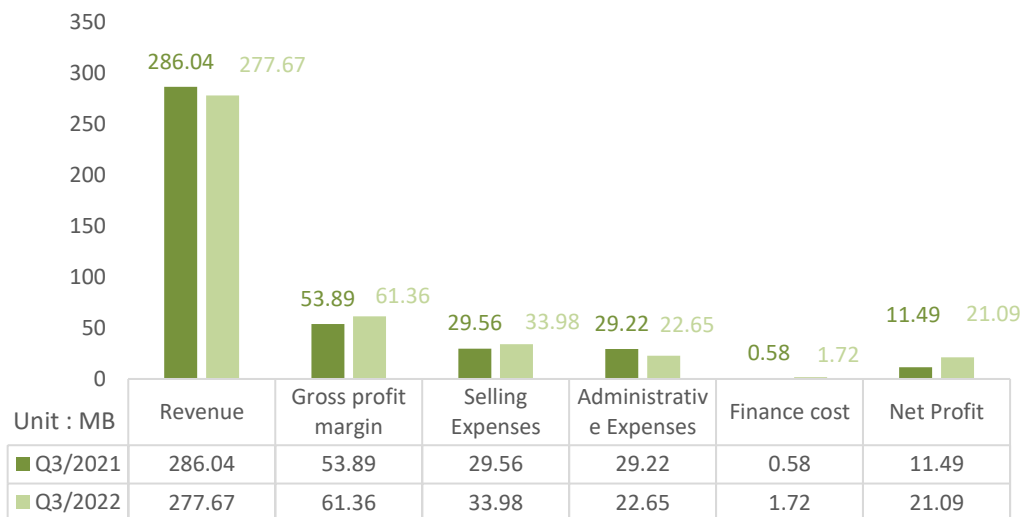
Subject: Operating Result Clarification for the Q3/22 (Ending September 30, 2022)

To: Director and Manager of the Stock Exchange of Thailand

UBIS (Asia) Public Company Limited (“the Company”) would like to inform on operating results and the financial position which changed more than 20 % for the Q3/22 ending September 30, 2022 of the company and its subsidiaries with main substance as follows:

| (Unit : Thousand Baht) | Q3/2021 | Q3/2022 | Change | % Change |
|-------------------------|---------------|---------------|--------------|--------------|
| Revenue | 286,043 | 277,671 | (8,372) | -2.9% |
| Gross profit margin | 53,891 | 61,358 | 7,467 | 13.9% |
| Selling Expenses | 29,558 | 33,979 | 4,421 | 15.0% |
| Administrative Expenses | 29,217 | 22,653 | (6,564) | -22.5% |
| Finance cost | 575 | 1,719 | 1,144 | 199.0% |
| Net Profit | 11,492 | 21,088 | 9,596 | 83.5% |

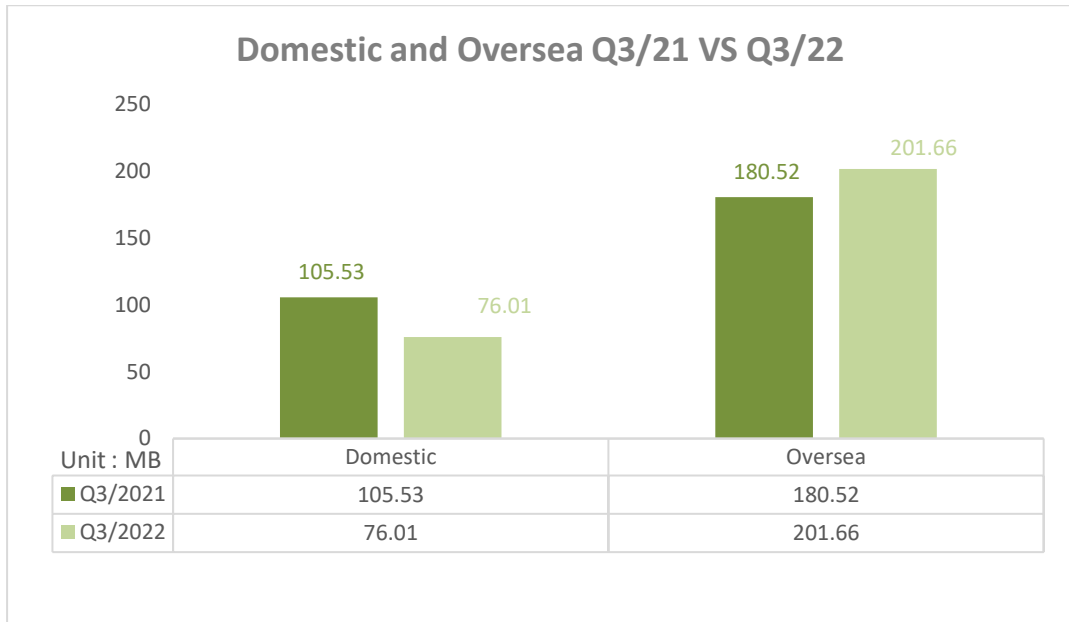
Comparison Q3/21 VS Q3/22



Overall, the Company and its subsidiaries had a net profit in Q3/22 of 21.09 MB which has increased by 9.5 MB or 83.5% from Q3/21 (Net profit of Q3/21 was 11.49 MB). The Company would like to inform the following significant changes in the Company’s and its subsidiaries’ operational results:

Revenue

Q3/22, the Company and its subsidiaries had total revenue of 277.7 MB, which has decreased from Q3/21 by 8.4 MB or 2.9%. (Divided into domestic sales decreased by 28.0% and an international sales increased by 11.7%).



Gross profit

Q3/22, the Company and its subsidiaries generated a total gross profit of 61.4 MB, which had increased from Q3/21 amounting to 7.5 MB or 13.9%. In Q3/22, the gross profit is 22.1% (Gross profit in 18.84% in the Q3/21). The increase of gross profit were due to decrease in the cost of raw materials used in the manufacturing of canned coating products

Distribution costs

Q3/22, the Company and its subsidiaries had the distribution costs of 34 MB which has increased from Q3/21 in the amount 4.4 MB or 15% (In Q3/21 had the distribution costs of 29.6 MB). The increase of distribution costs were due to higher freight prices.

Administrative expenses

Q3/22, the Company and its subsidiaries had the administrative expenses of 22.7 MB which has decreased from Q3/21 in the amount 6.6 MB or 22.5%(In Q3/21 had the administrative expense of 29.2 MB). In comparison to the Q3/21, the decreasing of administrative expenses were due to decrease of management expenses and consultation fees.

Finance cost

Q3/22, the Company and its subsidiaries had the financial cost 1.7 MB which increased from Q3/21 in the amount of 1.1 MB or 199% (In Q3/21 had a financial cost of 0.6 MB.) due to the increased of financial operation transaction.

Gain (Loss) on foreign exchange

Q3/22, the Company and its subsidiaries gain from foreign exchange profit of 10.7 MB from the exchange rate which increased from Q3/21 in the amount 0.1 MB or 1.6 % (Gained from exchange rate of 10.6 MB in Q2/21)

The overall financial status of the Company and its subsidiaries as of September 30, 2022 with the comparison to the financial status as of December 31, 2021 are summarized as below:

Assets

As of September 30, 2022, the Company and its subsidiaries have total asset of 1249.6 MB which increased from December 31, 2021 by 272 MB as a result of the increase in cash and cash equivalents by 134.3 MB, the increase in trade and other current receivables by 55.6 MB, the increase in inventory by 69.9 MB and the increase in other current assets by 1.0 MB. In terms of non-current assets, property, plant and equipment increase of 11.9 MB, right of use assets decreased by 0.7 MB.

Liabilities

As of September 30, 2022, the Company and its subsidiaries had a total liability of 502.6 MB which increased by 24.5 MB from December 31, 2021 due to the increased in overdrafts and short-term loans of 52.8 MB, decreased of trade and other current payables by 11.5 MB, the increase of borrowing of 1 year maturity of long term from financial institutions by 0.3 MB, decreased of income tax payable by 1.9 MB, increased of lease liabilities within 1 year maturity by 0.1 MB and decreased of other current liabilities by 2 MB. For the part of non-current liabilities, the long-term borrowing from financial institutions decreased by 8.4 MB, the decreasing in non-current provisions for employee benefits obligations by 4 MB and decreased of lease liabilities by 0.75 MB.

Equity

As of September 30, 2022, the Company and its subsidiaries had total equity of 746.9 MB which increased from December 31, 2021 in amount of 247.4 MB due to the increased of issued and paid-up share capital 57.0 MB, share premium on ordinary shares 171.0 MB. Retained earnings with unappropriated increased by 24.5 MB. The other components of equity decreased by 2 MB.

Cash flow

Based on the results for Q3/22, the company had cash flow as following details:

- Q3/22, net cash flow use in operating activities were 103.9 MB, increased by 106 MB. In comparison with Q3/21 mainly from increasing of inventory and trade and current receivables.
- Q3/22, net cash flow use in investment was 24.7 MB, increased from 13.6 MB when compared with Q3/21 due to the increased of company's expenditure in investment for fixed asset.
- Q3/22, net cash flow from financing activities was 266.5 MB, increased from 239.3 MB when compared with Q3/21 due to the increased of proceeds from issue of shares and short-term borrowings from financial institutions.

The Company's strategy for the year 2022

As the situation of COVID-19 pandemic began to unravel, the world starts to resume to normal activities, only a few countries still have strict disease control measures in place. International travel is becoming denser, people starts to come out and spend their daily lives outside their homes. As a result, economic activities start to recover to normal. However, in the metal packaging industry, there is a tendency of falling growth rate due to the easing of 'pantry-loading' demand surges, as people in lockdown are worried and pre-orders or stock huge amount of canned food around the world last year. As a result, in the first half of this year, the production of metal packaging products which is the main customers of our company declines from last year. However, in the second half, there is a clear recovery in sales that began to recover in the third quarter compared to the previous third quarter, while the impact of the rise in prices of key raw materials such as steel, oil, and metal packaging coatings in manufacturing has also begun to unravel. According to the survey, commodity prices in nearly every product in every exchange hub have all declined, whether yoy or qoq comparisons. In addition, oil prices, which had previously risen due to the Russia-Ukraine truce, began to decline and stood at a lower level than at the beginning of the year.

Although the situation of squabbling and the rise in raw materials has improved, there is a new factor that needs to be closely monitored, namely the high inflation and is expected to put significant pressure on purchasing power, with central banks in each country making every effort to control the inflation. The incident puts pressure on central banks in each country to urgently decide to raise interest rates to curb inflation. This was led by FED raising interest rates to 3.00-3.25% in late September. The situation has become a double-edged sword for the company, as the increase in U.S. interest rates has caused the dollar index to rise, resulting in a weakening of various currencies, including the Baht, which has resulted in a 60% share of oversea sales, however, the increase in U.S. interest rates has raised concerns about an economic slowdown in the near future, which the company has been closely monitoring.

Under this circumstance, the metal packaging business continues to grow due to the increase in demand, both domestic and international markets. Moreover, the purchasing power in China begins to increase because China has yet to have the policy for open country and was directly affected by COVID-19 during the period of quarter 2, which impacts to the increased in demand of using product of metal packaging industry within the country. In addition, the growth of wet feed products has also resulted in an increase in the demand for metal packaging products.

The steady increase in price of raw materials at the beginning of the year began to unravel in a positive direction as the rise in the dollar index led to a decline in the prices of various commodities, including those that contributed to the company's production costs, and concerns over economic downturns also contributed to the company's lower costs of goods and transportation.

The company's strategy for 2022 is to grow 10 percent in sales from 2021 by considering and focusing on domestic and international customer base. As well as the expanding and developing of new product's markets with customers whom we have been jointly working with from the year 2021 to the year 2022 to meet with customers' demand. Due to the high fluctuation of the cost of raw materials, the company will have to manage the production cost and the exchange rate closely. Other than this, experts in the research and development team will aim to improve the products to meet its rules and regulations as well as improving products to meet customers' needs including looking for opportunities in the market that can bring the original product group to continue in research and development to meet the needs of customers for both packaging domestically and internationally.

Sincerely yours,

(Pruetthipong Tharaphimaan)
Managing Director