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February 27, 2024

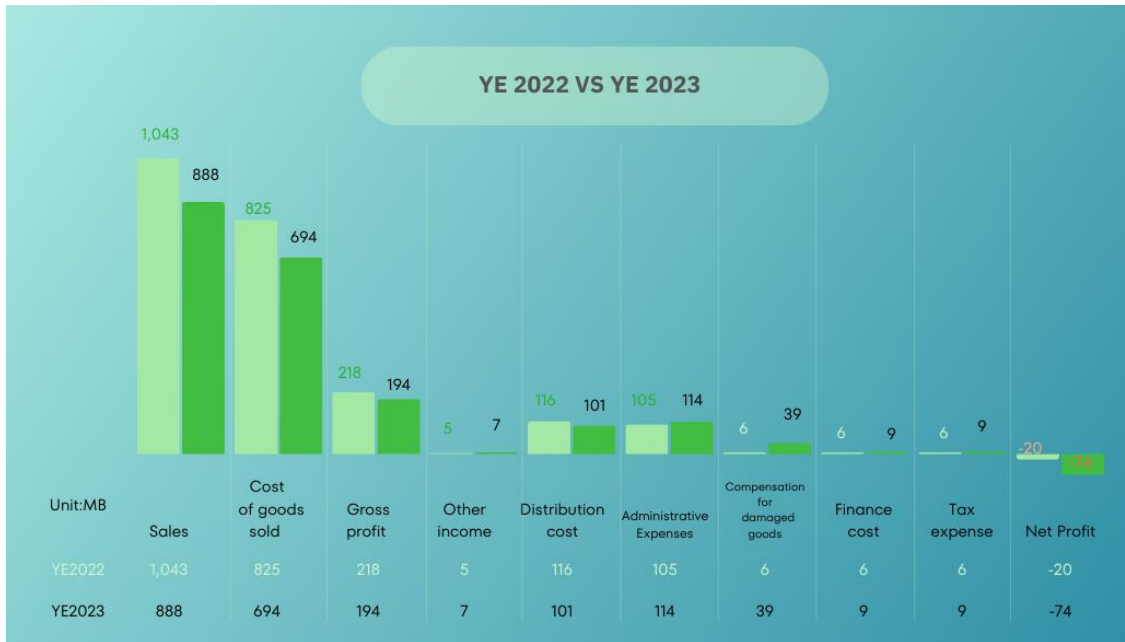
Subject: Operating Result Clarification for the end of fiscal year 2023 (Ending December 31, 2023)

To: Director and Manager of the Stock Exchange of Thailand

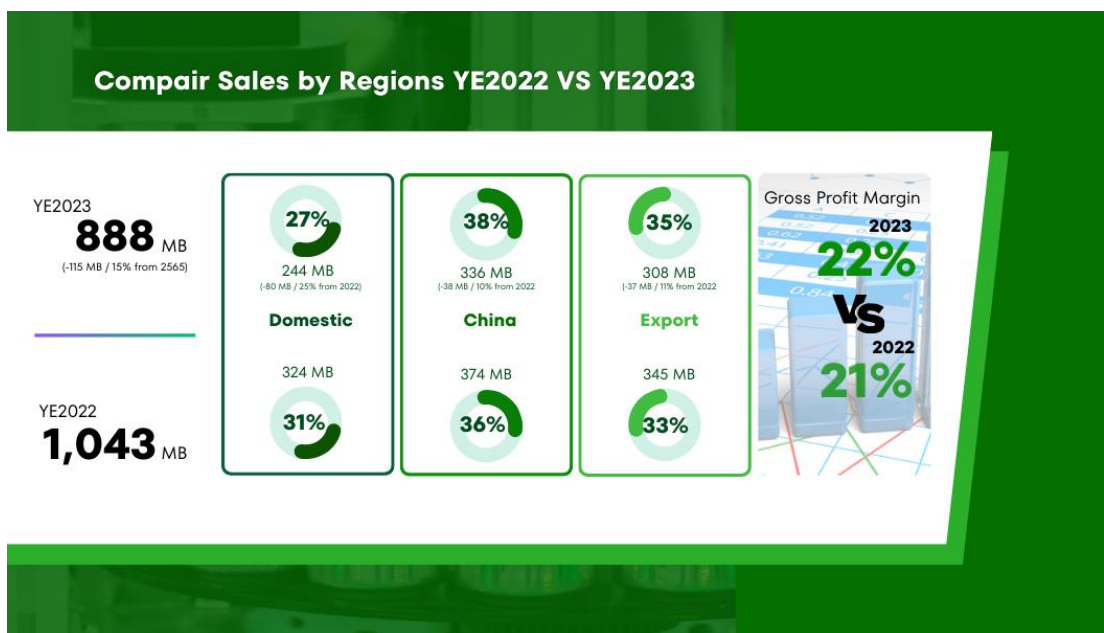
UBIS (Asia) Public Company Limited (“the Company”) would like to inform on operating results and the financial position which changed more than 20% for the fiscal year 2023 ending December 31, 2023 of the company and its subsidiaries with main substance as follows:

| (Unit : Thousand Baht) | YE2022 | YE2023 | Change | % Change |
|---|-----------|----------|-----------|----------|
| Sales | 1,043,495 | 888,295 | (155,200) | (15%) |
| Cost of goods sold | 825,196 | 693,990 | (131,206) | (16%) |
| Gross profit | 218,299 | 194,305 | (23,994) | (11%) |
| Other income | 4,884 | 6,874 | 1,990 | 41% |
| Distribution cost | 115,778 | 100,636 | (15,142) | (13%) |
| Administrative Expenses | 105,132 | 113,802 | 8,670 | 8% |
| Gain/(loss) on foreign exchange | (5,251) | (983) | 4,268 | 81% |
| Profit (loss) from operating activities before compensation for damaged goods | (2,978) | (14,242) | (11,264) | (378%) |
| Compensation for damaged goods | 6,098 | 38,991 | 32,893 | 539% |
| Finance cost | 6,293 | 9,090 | 2,797 | 44% |
| Tax expense | 5,909 | 9,299 | 3,390 | 57% |
| Net Profit (Loss) | (20,113) | (74,001) | (53,888) | (268%) |

Overall, the Company and its subsidiaries had a net loss in 2023 of 74 MB which has increased by 54 MB or 268% from 2022 (Net Loss of 2022 was 20 MB). Q3/2023, the company paid compensation for damaged goods in the amount of 39 MB. Upon deducting this compensation, the company would have net loss of 35 MB. The Company would like to inform the following significant changes in the Company's and its subsidiaries' operational results:



Sales



2023, the Company and its subsidiaries had total sales of 888 MB, which has decreased from 2022 by 155 MB or 15%. (Divided into domestic sales decreased by 25%, oversea sales decreased by 11% and China sales decreased by 10 %).

Gross profit

2023, the Company and its subsidiaries generated a total gross profit of 194 MB, which had decreased from 2022 amounting to 24 MB or 11%. In 2023, the gross profit is 22% (Gross profit in 21% in the 2022). The decrease of gross profit were due to decrease in sales . However, gross profit margin compared to the same period of the previous year had increased due to a decrease in raw material costs.

Distribution cost and Administrative Expenses

2023, the Company and its subsidiaries had distribution costs and administrative expenses 253 MB, which had increased from 2022 amounting to 26 MB or 12%. Due to the company's compensation payment of 39 MB. for damaged goods to business partners, if excluding this item, the total distribution costs and administrative expenses for 2023 would be 214 MB. This amount represents a decrease compared to the corresponding period of the previous year.

Finance cost

2023, the Company and its subsidiaries had the financial cost 9 MB which increased from 2022 in the amount of 3 MB (In 2022 had a financial cost of 6 MB.). Due to increasing interest rates.

Gain (Loss) on foreign exchange

2023, the Company and its subsidiaries loss from foreign exchange of 1 MB from the exchange rate which decreased from 2022 in the amount 4 MB (Loss from exchange rate of 5 MB in 2022)

The overall financial status of the Company and its subsidiaries as of December 31, 2023 with the comparison to the financial status as of December 31, 2022 are summarized as below:

Assets

As of December 31, 2023 , the Company and its subsidiaries have total asset of 1,032 MB, consisting of cash and cash equivalents of 250 MB, trade and other current receivables of 290 MB, inventory of 177 MB, other current assets 4 MB and non-current asset of 310 MB.

Liabilities

As of December 31, 2023, the Company and its subsidiaries had a total liability of 404 MB which decreased by 110 MB from December 31, 2022, consisting of overdrafts and short-term loans of 255 MB, trade and other current payables of 89 MB, borrowing of 1 year maturity of long term from financial institutions of 2 MB, income tax payable of 4 MB, lease liabilities within 1 year maturity 7 MB , other current liabilities by 3 MB and non-current liabilities of 44 MB.

Equity

As of December 31, 2023 , the Company and its subsidiaries had total equity of 628 MB which decreased by 78 MB from December 31, 2022, consisting of issued and paid-up share capital 285 MB, share premium on ordinary shares of 198 and retained earnings with unappropriated of 124 MB.

Cash flow

Based on the results for 2023, the company had cash flow as following details:

- 2023, net cash flow from operating activities were 120 MB when compared to those of 2022 which had net cash flow use in operating activities were 84 MB. This change was primarily due to a decrease in trade and other current receivables by 54 MB, a decrease in inventory by 129 MB, and an increase in trade and current payables by 22 MB.

- 2023, net cash flow use in investment was 13 MB when compared to those of 2022 which had net cash flow use in investment was 31 MB due to the decreased of company's expenditure in investment for fixed asset.
- 2023, net cash flow use in financing activities were 105 MB when compared to those of 2022 which had net cash flow from financing activities 267 MB mainly from paid short-term borrowings from financial institutions to reduce the burden of interest during the specified period.

The Company's strategy for the year 2024

In the year 2023, UBIS faced substantial challenges as the preceding year did not align with the company's sales growth targets. A pivotal factor contributing to this difficulty was a 24% reduction in domestic metal packaging production in 2023, as reported by The Office of Industrial Economics. This decline directly impacted UBIS's domestic sales, necessitating the exploration of alternative markets to mitigate associated risks. Moreover, regional crises, particularly in the Red Sea, disrupted a vital trade route connecting Asia to Europe, encompassing approximately 12% of global trade routes. The suspension of shipping in the Red Sea forced cargo ship redirection, resulting in extended transit times and increased shipping costs. This unexpected event presented unavoidable risks to UBIS, given its globally dispersed customer base.

In response to these challenges, UBIS vigilantly monitored regional situations, consistently assessed risks, and devised contingency plans for unforeseen events. Ensuring timely and error-free delivery to customers became a paramount strategy. The company also maintained a steadfast focus on customer relationships and post-sales services, aiming to foster loyalty and prevent customer defection to competitors. However, heightened price-consciousness among customers intensified competition within the country. Consequently, UBIS had to prioritize cost management without compromising product quality and post-sales services.

In 2024, UBIS enacted a three-pronged growth strategy:

- 1) New Product Growth: This entailed developing new products to meet customer demands and aligning them with the regulations of each target market.

2) New Customer Acquisition: The company aimed to expand its customer bases in regions or countries where it had not been active before, leveraging past successes in Latin America.

3) Exploring New Opportunities: UBIS capitalized on its industry experience and customer interactions to identify technological differences and product developments. This presented an opportunity to adapt and offer these products to customers in regions where such technologies were not yet prevalent.

Furthermore, the company placed a significant emphasis on global quality standards and environmental considerations, showcasing a commitment to both product quality and environmental responsibility. UBIS consistently sought process improvements to deliver excellent service, aligning with customer expectations. The company positioned itself to confront potential challenges, maintaining competitiveness and aspiring to become a global industry leader by providing superior services and products to customers.

Sincerely yours,

(Mr. Piyakun Kritayanutkul)
Authorized Person to Disclose