

JUBILEE ENTERPRISE

PUBLIC COMPANY LIMITED

No. CS07/2020

May 12nd, 2020

Subject: Declaration of Operating Results for the 1st quarter ended 31 March 2020
Attn: Director and Manager,
The Stock Exchange of Thailand

With respect to the financial information for the 1st quarter ended 31 March 2020, 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 May 11, 2020, the Company wishes to report further clarifications in summary as follows:

Summary of the company's operation result

The Company's operating result for the 1st quarter 2020, revenue from sales decrease from the same period of last year at 5.5%. Gross profit margin is equal to 49.6%. Net profit for the 3-month period ended 31 March 2020 is equal to Baht 45.1 million, decreased by Baht 7.8 million or is equal to 14.8% from the same period of last year. Earnings per share is Baht 0.26 per share, decreased from last year that showed Baht 0.30 per share.

Statement of Comprehensive Income

For the three-month period ended 31 March

Unit: Million Baht	1 st Quarter 2020		1 st Quarter 2019		YOY	%
Revenue from sales	364.76	100.00%	385.97	100.00%	(21.21)	-5.5%
Cost of sales	(183.87)	-50.41%	(202.10)	-52.36%	(18.23)	-9.0%
Gross profit	180.89	49.59%	183.87	47.64%	(2.98)	-1.6%
Other income	0.72	0.20%	2.86	0.74%	(2.14)	-74.9%
Distribution costs	(77.31)	-21.20%	(88.97)	-23.05%	(11.66)	-13.1%
Administrative expenses	(41.91)	-11.49%	(31.80)	-8.24%	10.11	31.8%
Finance cost	(4.52)	-1.24%	(0.01)	0.00%	4.51	62770.2%
Profit before income tax	57.86	15.86%	65.95	17.09%	(8.08)	-12.3%
Tax expenses	(12.81)	-3.51%	(13.07)	-3.39%	(0.26)	-2.0%
Net profit for the period	45.05	12.35%	52.88	13.70%	(7.82)	-14.8%

- The Company has revenue from sales in amount of Baht 364.8 million, decreased from the same period of last year by Baht 21.2 million or is equal to 5.5%. The main reason came from the spread of the COVID-19 virus which affected to the Company's branches, where located in department stores, were closed by the command of government since March 22, 2020. this situation has affected to decrease in the Company's revenue dramatically. However, in this quarter, the Company had launched the new collections such as Prosperous Fortune Collection for Chinese New Year in January and Sweet Sonata Collection for valentine's day in February and arranged marketing campaign continually which result in revenue from sales had still grown in January and February when compared with the same period of last year.

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According to temporarily closing of the branches, this affected of decreasing in same store sales at 10.0%, however there is incremental in revenue from new branches that were opened during the second half year of 2019 and the 1st quarter 2020 by 4.8%.

- Gross profit margin increases from the same period of last year from 47.6% to 49.6%. According to the Company has managed costs of production and products mix efficiently. However, the Company had applied and accounted for expenses from rental contracts according to TFRS 16 – Leases, which affect to net profit margin. In addition, due to the market situation effect from spreading of the COVID-19 virus, the net profit margin was changed from the same period of last year from 13.7% to 12.4%. Net profit for the period decreased from the same period of last year from Baht 52.9 million to Baht 45.1 million or decreased by 14.8%.
- Selling expenses for the 1st quarter 2020, is at 21.2% of revenue from sales while in 2019 is at 23.1% of revenue from sales, decreases from the same period of last year by Baht 11.7 million or is equal to 13.1% which was resulting from decreasing of marketing expenses, for example, event expenses, premium expenses and discount from of rental expenses that were affected from the command of government about closing department stores temporality.
- Administrative expenses for the 1st quarter 2020, is at 11.5% of revenue from sales while in 2019 is at 8.2% of revenue from sales, increased from the same period last year by Baht 10.1 million or 31.8%. The change due to loss from exchange rate, devaluation in short-term investments and increasing in staff costs.
- Finance cost for the 1st quarter 2020 is at 1.2% of revenue from sale, which increased by Baht 4.5 million from the same period of last year. This effect from recognition of interest expenses from adoption of TFRS 16 – Leases, for the year 2020 the Company will have incremental expenses to be accounted for about 3.5% - 4.0% of total SG&A.

Please be informed accordingly.

Sincerely yours,

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

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