

SBN 001/2021

February 19, 2021

Subject : Operating Result for the year quarter of 2020

To : The Managing Director, The Stock Exchange of Thailand

Sabina Public Co.,Ltd. Would like to clarify the operating result for the year of 2020 as follows:-

In 2020, the COVID-19 epidemic situation continues to spread throughout the world. This causes a slowdown in the economy and affects most businesses and industries. Thailand was affected, causing the Lock Down in Thailand from the end of March until the middle of May, there is a measure to relax the Lock Down. Spreading a new wave of COVID-19 the end of the year, the department store were closed in the most regulated areas. As a result of this incident, the Company's management has adjusted the management strategy for production, marketing and distribution to comply with the new normal for business. The company can still have a net profit performance.

Manufacturing adaptation by adjusting the bra production process to producing cloth masks to accommodate the consumer demand, such as donations to the Government , Brand OEM and Brand Sabina.

Adaptation of distributors to expand sales channels in more including Online Connection Online and Offline sales together to achieve maximum efficiency.

Million Baht	Q4 2020	Q4 2019	YoY%	Q3 2020	QoQ%	YEAR 2020	YEAR 2019	YoY%
Revenue from sales	755.7	803.3	-5.9%	799.5	-5.5%	2,895.7	3,279.5	-11.7%
Revenue from service	2.3	-		9.4	-75.3%	2.3	0.2	856.4%
<b>Total revenue from sales &amp; service</b>	758.0	803.3	-5.6%	808.9	-6.3%	2,898.0	3,279.7	-11.6%
Cost of sales	377.0	348.0	8.3%	428.3	-12.0%	1,524.8	1,494.1	2.1%
<b>Gross profit</b>	381.1	455.2	-16.3%	380.6	0.1%	1,373.2	1,785.6	-23.1%
<b>%</b>	50.3%	56.7%		47.1%		47.4%	54.4%	

Other Income	1.1	1.0	2.1%	6.2	-82.8%	15.8	15.2	4.0%
<b>Total Revenue</b>	759.1	804.3	-5.6%	815.1	-6.9%	2,913.8	3,295.0	-11.6%

Selling and Administrative expenses	293.6	334.3	-12.2%	277.5	5.8%	1,034.1	1,276.4	-19.0%
<b>Profit before interest &amp; tax</b>	88.5	121.9	-27.4%	109.4	-19.1%	354.9	524.4	-32.3%
<b>%</b>	11.7%	15.2%		13.4%		12.2%	15.9%	
Finance costs	2.0	2.8	-30.3%	2.0	-0.8%	9.1	8.3	9.3%
Income tax	16.4	22.5	-27.1%	21.6	-24.2%	69.0	102.8	-32.9%
<b>Profit for the period</b>	70.2	96.7	-27.4%	85.8	-18.2%	276.8	413.3	-33.0%
<b>%</b>	9.2%	12.0%		10.5%		9.5%	12.5%	

## Total Revenue

In 4Q20, the total revenue was Baht 759.1 million, decreased -5.6% from 4Q19 and decreased -6.9% from 3Q20.

In 4Q20, the revenue from sales and service was Baht 758 million, decreased -5.6% from 4Q19 and decreased -6.3% from 3Q20.

In 2020, the total revenue was Baht 2,913.8 million, decreased -11.6% from 2019.

In 2020, the revenue from sales and service was Baht 2,898 million, decreased -11.6% from 2019.

## Revenue by type

Unit : Million Bht.

	Q4 2020	%	Q4 2019	YoY% Q4 20/Q4 19	YEAR 2020	%	YEAR 2019	YoY% 20/19
Sabina - Retailer	548.4	72%	643.7	-14.8%	2,005.8	69%	2,580.9	-22.3%
- Non store retailing	125.3	17%	72.9	72.0%	554.4	19%	335.5	65.2%
- Export	24.0	3%	5.3	352.0%	70.0	3%	76.0	-7.9%
OEM	58.0	8%	81.4	-28.8%	265.5	9%	287.0	-7.5%
<b>Total</b>	<b>755.7</b>	<b>100%</b>	<b>803.3</b>	<b>-5.9%</b>	<b>2,895.7</b>	<b>100%</b>	<b>3,279.5</b>	<b>-11.7%</b>

Retailer sales impacted by the COVID-19 epidemic causing the lock down of the store since the end of March until the middle of May therefore able to open the shop again. Spreading a new wave of COVID-19 that occurred at the end of December in Samut Sakhon Province causing a slowdown in business.

Non-store retailing, the company increase sales and expand more distribution channels. In 2020, the sales of NSR to 554.4 million baht, more than the year 2019 to 218.9 million baht, or 65.2%.

Sabina Export & OEM, the result of such a situation around the world. Partners of the company are mainly among CLMV & UK and Europe mainly, which has been affected continuously for a long time Lock Down with the opening and closing of each country at any time, resulting in lower amount of orders. Nevertheless, the company has adjusted the distribution strategy to sell cloth masks to consumers who are various agencies instead, resulting in more OEM sales to replace the missing parts.

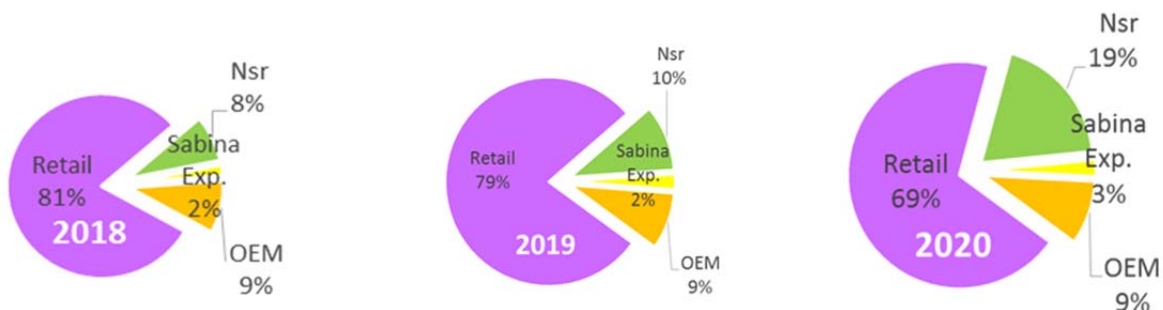
#### Revenue by type 4Q20

- The sales Revenue of Sabina-brand was Baht 548.4 million, decreased -14.8% from 4Q19.
- The sales Revenue of Sabina-brand Non store retailing was Baht 125.3 million, increased 72% from 4Q19.
- The sales Revenue of Sabina-brand Export was Baht 24 million, increased 352% from 4Q19.
- The sales Revenue from OEM was Baht 58 million, decreased -28.8% from 4Q19.

#### Revenue by type in 2020

- The sales Revenue of Sabina-brand was Baht 2,005.8 million, decreased -22.3% from 2019.
- The sales Revenue of Sabina-brand Non store retailing was Baht 554.4 million, increased 65.2% from 2019.
- The sales Revenue of Sabina-brand Export was Baht 70 million, decreased -7.9% from 2019.
- The sales Revenue from OEM was Baht 265.5 million, decreased -7.5% from 2019.

#### Comparison of revenue proportion 2020



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 81% 2018: 79% 2019: 69% 2020 with less proportion, the revenue from non-retailing sales increasing by 8% 2018: 10% 2019: 19% 2020 to comply with the new normal for business. The revenue from Sabina export by 3% 2020, revenue from OEMs the proportion is unchanged.

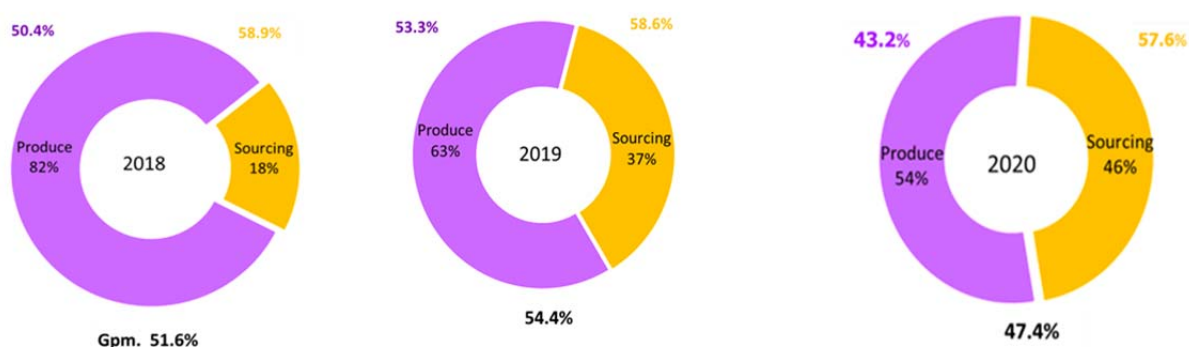
## Gross profit

The effects of the COVID-19 outbreak affected gross margins as follows:

- The purchasing power of consumers has decreased. Therefore, the factors that will increase consumer demand are affordable product prices, as well as promotions that attract consumers, which increase the cost per income. Gross profit will decrease accordingly.
- In the early stages of the crisis there was a shortage of masks. The Company produced cloth masks to donate to government agencies. Including production for sales to organizations under the customer's brand, including Brand Sabina, the gross profit of such products is less than lingerie products, which is the main product of the company

In 2020, gross profit amounted to Baht 1,373.2 million or 47.4%

In 2020, the proportion of Produce & Sourcing is 54% & 46%. The proportion of Sourcing has increased despite the amount of Sourcing in 2020 close to that of 2019. Due to the company's own production volume in 2020 decreased compared to 2019 at -29%, the proportion of Produce and Sourcing has changed.



## Selling and Administrative expenses

In 2020, selling and administrative expenses amount to Baht 1,034.1 million or 35.5% of total income, which is decreased million 242.3 baht or -19.0% from year 2019.

This is due to the lower expenses such as advertising and marketing, which has been shifted to Online more cost-effective and reach more specific customers. Reduced promotional expenses due to the COVID-19 situation making it impossible to organize various items or less organized in order to comply with government protection measures, rental and service expenses stores that the company receives a discount on such expenses during the lock down of stores according to government measures, reduced human costs the result of some employees resigned to self-employed or return to their own settlements voluntary in which the company did not hire out or have any measures for early retirement.

**Net profit**

- In 4Q20, net profit amounted to Baht 70.2 million or 9.2% decreased -27.4% from 4Q19 and decreased -18.2% from 3Q20.
- In 2020, net profit amounted to Baht 276.8 million or 9.5% decreased 33.0% from 2019.

**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.

On February 19, 2021, Board of Directors Meeting No. 1/2021 considered to pay dividend payment for the year 2020 at the rate of Baht 0.80 per share for the 347.50 million shares totaling 278 Million Baht. The Board of Directors has approved the interim dividend payment amount of 0.35 baht per share for 347.5 million shares total amount 121.63 million baht and pay additional dividends of 0.45 baht per share for 347.5 million shares totaling 156.38 million baht. The record date for the shareholders who have right to receive dividend will be on May 7, 2021. The dividend will be paid on May 21, 2021.

Please be informed accordingly.

Respectfully yours,

(Mr.Somkid Pardungkiattisak)

Director