

SBN 012/2023

November 13, 2023

Subject : Operating Result for the third quarter of 2023

To : The Managing Director, The Stock Exchange of Thailand

Sabina Public Co.,Ltd. Would like to clarify the operating result for the third quarter of 2023 as follows:-

During the third quarter of the year 2023, our business operation still goes the same way as our corporation's missions as announced. Sales channels and growth in cities will be growing more rapidly than in other areas. One of the reasons for that is the increase in foreign tourists in the tourist attractions this year. The sales increased the most in the southern part of Thailand. However, the Northeastern part sales performance is not so high, according to the Bank of Thailand announcement on financial situation. However, there is still a growth of sales compared to the previous year. The only changes are on sales channels.

Net profit in the 3<sup>rd</sup> quarter of 2023 was Baht 118.9 million, which has been increased by 18.6% (YoY) and the nine month period ended September 30,2023 net profit was Baht 349.0 million, increased by 12.2% (YoY). Sabina brand sales have improved, the company's management has adopted sustainability strategies in managing the business. There is a good risk management process, including giving importance to taking care of all stakeholders, both community and society, including the environment.

#### **1. Operating results for the third quarter and the nine month period of 2023**

The economic situation in the third quarter of the year 2023 has a potential increase in a number of tourists. There will be approximately seven million tourists despite the fact that the number of tourists has decreased by 14% in September. The National Economics and Social Development Council has revised its economic growth forecast for 2023 down to only 2.5-3.0 percent (as of 21 Aug. 2023) from the original estimate of 2.7-3.7 percent (as of 15 May. .66).

Most of the sales are contributed in Thailand via different types of sales channels. There is potential growth on the OEM segment on the third quarter. However, the export rate is lower than the previous year consistent with the export market conditions of the Thai textile and clothing industry, which has a cumulative negative balance for 8 months of 14.3 percent. The impact is due to the quantity of customer inventories remaining sufficient, resulting in no additional orders, but the trend has started to improve since the third quarter of 2023 and orders have been filled until the end of the first quarter of 2024.

Million Baht	Q3 2023	Q3 2022	YoY%	Q2 2023	QoQ%	9M 2023	9M 2022	YoY%
Revenue from sales & service	849.7	773.9	9.8%	837.9	1.4%	2,556.6	2,331.5	9.7%
Total revenue from sales & service	849.7	773.9	9.8%	837.9	1.4%	2,556.6	2,331.5	9.7%
Cost of goods sold	418.5	402.6	3.9%	422.0	-0.8%	1,280.3	1,224.9	4.5%
<b>Gross profit</b>	<b>431.3</b>	<b>371.2</b>	<b>16.2%</b>	<b>415.9</b>	<b>3.7%</b>	<b>1,276.3</b>	<b>1,106.7</b>	<b>15.3%</b>
%	50.8%	48.0%		49.6%		49.9%	47.5%	
Other Income	2.8	7.4	-62.7%	18.9	-85.3%	23.1	20.1	14.9%
<b>Total Revenue</b>	<b>852.5</b>	<b>781.3</b>	<b>9.1%</b>	<b>856.8</b>	<b>-0.5%</b>	<b>2,579.7</b>	<b>2,351.6</b>	<b>9.7%</b>
Selling and Administrative expenses	282.7	252.7	11.9%	292.6	-3.4%	855.9	739.4	15.8%
<b>Earnings before interest and taxes</b>	<b>151.3</b>	<b>125.9</b>	<b>20.1%</b>	<b>142.2</b>	<b>6.4%</b>	<b>443.5</b>	<b>387.4</b>	<b>14.5%</b>
%	17.7%	16.1%		16.6%		17.2%	16.5%	
Finance cost	2.3	0.9	143.2%	1.8	28.6%	5.8	2.9	99.1%
Income tax	30.1	24.8	21.3%	26.2	14.6%	87.4	73.3	19.2%
<b>Profit (loss) for the periods</b>	<b>119.0</b>	<b>100.2</b>	<b>18.7%</b>	<b>114.2</b>	<b>4.2%</b>	<b>350.2</b>	<b>311.1</b>	<b>12.6%</b>
Non – controlling interests	0.1	-0.0		0.9		1.3	-0.0	
<b>Profit (loss): Equity holders of the parent</b>	<b>118.9</b>	<b>100.2</b>	<b>18.6%</b>	<b>113.3</b>	<b>4.9%</b>	<b>349.0</b>	<b>311.1</b>	<b>12.2%</b>
%	13.9%	12.8%		13.2%		13.5%	13.2%	

### 1.1 Total Revenue for third quarter of 2023

In 3Q23, the total revenue was Baht 852.5 million, increased 9.1% from 3Q22 and decreased 0.5% from 2Q23.

In 3Q23, the revenue from sales and service was Baht 849.7 million, increased 9.8% from 3Q22 and increased 1.4% from 2Q23.

In 9M23, the total revenue was Baht 2,579.7 million, increased 9.7% from 9M22.

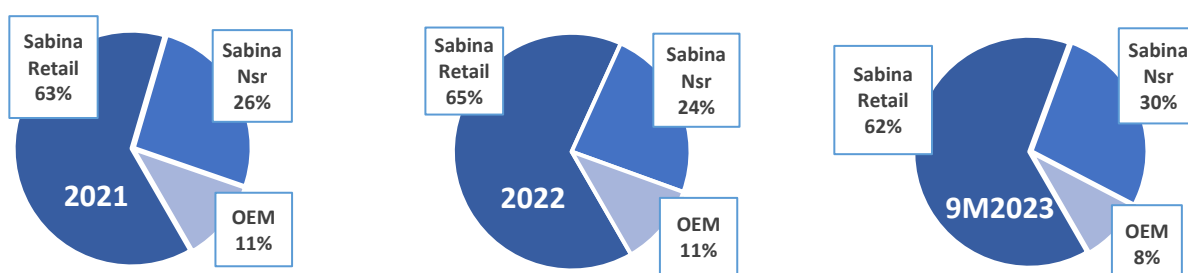
In 9M23, the revenue from sales and service was Baht 2,556.6 million, increased 9.7% from 9M22.

### 1.2 Revenue by category for nine month period of 2023

Million Baht.	9M		9M	YoY%
	2023	%	2022	9M 23 / 9M 22
Sabina -Retailer	1,592.9	62%	1,523.6	4.5%
-Nsr	756.8	30%	570.1	32.8%
OEM	206.9	8%	237.8	-13.0%
<b>Sum</b>	<b>2,556.6</b>	<b>100%</b>	<b>2,331.5</b>	<b>9.7%</b>

- The sales Revenue of Sabina brand (Retailer) was Baht 1,592.9 million, increased 4.5% from 9M22.
- The sales Revenue of Sabina-brand (Non store retailing) was Baht 756.8 million, increased 32.8% from 9M22.
- The sales Revenue from OEM was Baht 206.9 million, decreased 13.0% from 9M22.

### 1.3 Comparison of revenue proportion Year 2021 & Year 2022 & 9M2023



From the chart, it can be seen that the proportion of income from the 3 main structures of the company:

- Revenue from Sabina-brand that changed from 63% 2021: 65% 2022: 62% 9M 2023
- Revenue from non-retailing sales that changed from 26% 2021: 24% 2022: 30% 9M 2023
- Revenue from OEM that changed from 11% 2021: 11% 2022: 8% 9M 2023

### 1.4 Gross profit

In 3Q23, gross profit amounted to Baht 431.3 million or 50.8% which increased 16.2% from 3Q22, amounted to Baht 371.2 million or 48.0%.

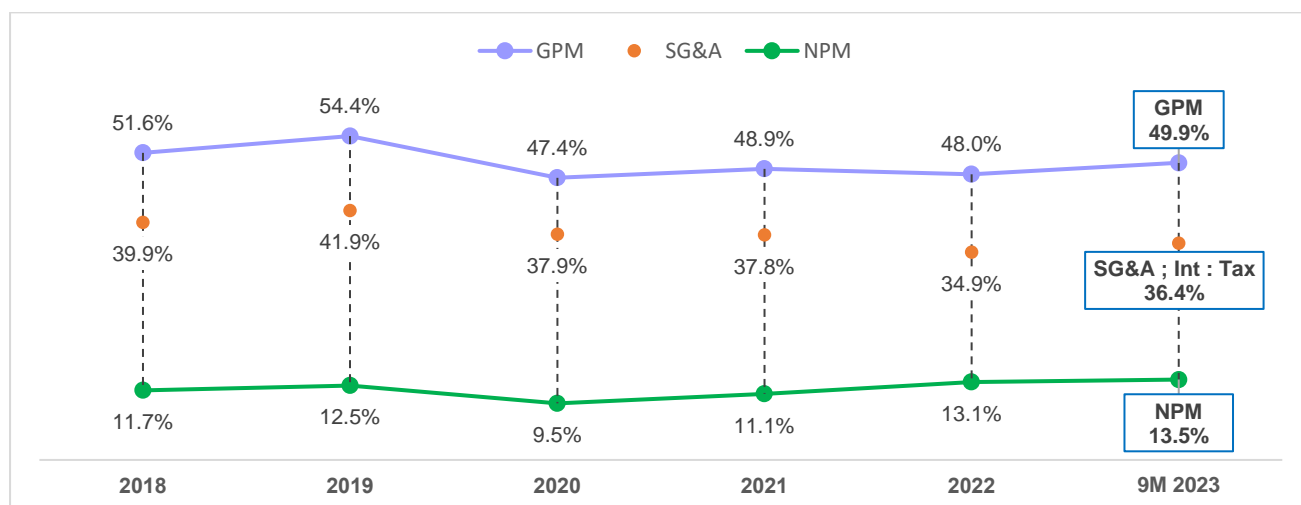
In 9M23, gross profit amounted to Baht 1,276.3 million or 49.9% Which increased 15.3% from 9M22, amounted to Baht 1,106.7 million or 47.5%

### 1.5 Selling and Administrative expenses

In 3Q23, selling and administrative expenses amounted to Baht 282.7 million or 33.2% of total income, which is increased 11.9% from 3Q22, and amounted to Baht 252.7 million or 32.3%.

In 9M23, selling and administrative expenses amounted to Baht 855.9 million or 33.2% of total income, which is increased 15.8% from 9M22 amounted to Baht 739.4 million or 31.4%.

## 1.6 Net profit



In 3Q23, net profit amounted to Baht 118.9 million or 13.9% increased 18.6% from 3Q22, amounted to Baht 100.2 million or 12.8%.

In 9M23, net profit amounted to Baht 349.0 million or 13.5% increased 12.2% from 9M22, amount to Baht 311.1 million or 13.2%

## 2. Operating results for 9M 2023

- The total revenue in 9M23 has increased compared to 9M22 with a growth of 9.7%.
- Gross profitability in 9M23 is Baht 1,276.3 million or 49.9% of total revenue.
- Selling and administrative expenses in 9M23 is Baht 855.9 million or 33.2% of total revenue.
- The company was able to make a net profit in 9M23 is Baht 349.0 million, or 13.5% of total revenue, which has a growth rate of 12.2% from 9M22.

## 3. Statement of financial position

**3.1 Total assets** as of September 30, 2023 amounted to Baht 2,746.44 million compared to December 31, 2022 increased by Baht +6.57million or +0.24%, the main factor is from

- Cash and cash equivalents decreased Baht -3.61 million
- Trade receivable decreased Baht -69.86 million
- Other trade receivable increased Baht +50.57 million
- Inventories increased Baht +176.72 million
- Other current assets decreased Baht -211.52 million

**3.2 Total liabilities** as of September 30, 2023 amounted to Baht 977.76 million compared to December 31,2022 increased by Baht 106.32 million or +12.20% from December 31,2022 , the main factor is from

- Short-Term loans increased Baht +13.86 million
- Trade payables decreased Baht -12.93 million
- Other payables decreased Baht -27.69 million
- Non-current liabilities increased Baht +28.69 million

#### **4. 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 fulltherefore, the company is not required to allocate the net profit as a legal reserve.

On August 15,2023 Board of Directors Meeting No. 3/2023 considered to pay interim dividend payment for the first six months of the year 2023 operating results at the rate of Baht 0.66 per share, with 347.50 million shares totaling 229.35 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 of the shareholders who have the right to receive the interim dividend will be on August 29, 2023. The dividend payment on September 12, 2023.

Please be informed accordingly.

Respectfully yours,

(Mr. Somkid Pardungkiattisak)

Director