

Ref. No. 2505/008EN

May 8, 2025

Subject: Operating Result Clarification for the Q1/2025 (Ending March 31, 2025)

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 Q1 Ending March 31, 2025, of the company and its subsidiaries with main substance as follows:

(Unit: MB)	Q1/2024	Q1/2025	Change	% Change
Sales	222.8	192.1	-30.7	-13.8%
Cost of goods sold	156.2	135.3	-21.0	-13.4%
Gross profit	66.6	56.9	-9.7	-14.6%
Other income	2.6	1.7	-0.8	-32.4%
Distribution cost	23.1	19.1	-4.0	-17.2%
Administrative expenses	29.3	33.1	3.8	13.1%
Gain/(loss) on foreign exchange	10.8	1.6	-9.2	-85.2%
Profit (loss) from operating activities	27.6	8.0	-19.6	-71.1%
Finance cost	(2.4)	(0.6)	1.8	76.4%
Tax expense	2.8	3.1	0.2	8.8%
Profit (Loss) for the period	0.1	0.6	0.5	363.6%
Profit (Loss) Per Share	22.3	3.7	-18.6	-83.3%

In Q1/2025, the Company reported a net profit of THB 3.7 million, representing a decrease of THB 18.6 million or 83.3% compared to Q1/2024. The Company would like to provide the following explanation regarding the significant changes in the operational performance of the Company and its subsidiaries:

Sales

Q1 (Unit: Million Baht)	2024	2025	Change	% Change
Metal Packaging Business	222.8	191.2	-31.6	-14.2%
○ Lacquer	120.8	89.9	-30.9	-25.6%
○ Compound	87.9	94.2	6.3	7.2%
○ Other	14.1	7.1	-7.0	-49.4%
Asset Management Business	0	0.9	0.9	100.0%
Total	222.8	192.1	(30.7)	-13.8%

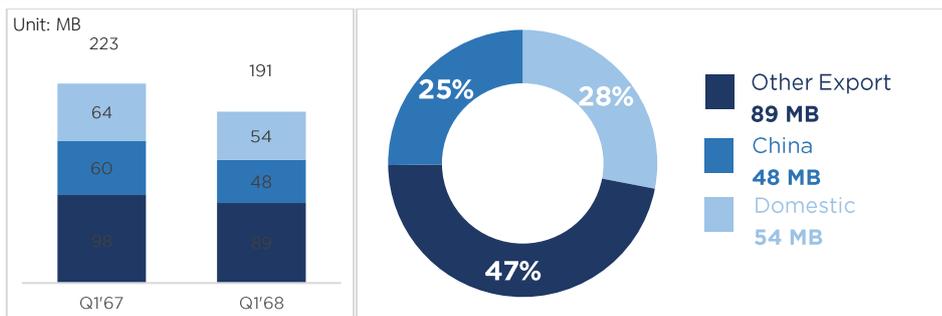
1. Metal Packaging Business

The metal packaging business continues to be the Company's core revenue driver. In Q1/2025, the Company generated revenue of THB 191.2 million from this segment, compared to THB 222.8 million in the same period last year, representing a 14.2% YoY decline, mainly due to changing market conditions. A breakdown by product group is as follows:

- Lacquer: Revenue amounted to THB 89.9 million, down from THB 120.8 million in Q1/2024, reflecting a 25.6% YoY decrease, primarily due to softened demand in international markets. The Company is closely monitoring market trends and adjusting its strategy to enhance competitiveness in the coming quarters.
- Compound: This product group continued to show positive momentum, with revenue rising to THB 94.2 million, up from THB 87.9 million, marking a 7.2% YoY increase. The growth reflects strong customer response in international markets, with sustained demand since late 2024.
- Other Products: Revenue stood at THB 7.1 million, down from THB 14.1 million in the previous year, representing a 49.4% YoY decrease.

2. Asset Management Business

In 2025, the Company began recognizing revenue from its asset management business for the first time, totaling THB 0.9 million. Although this represents a relatively small portion of total revenue, it marks an important first step in expanding into a new business segment aimed at diversifying income sources and reducing reliance on the core business. The asset management operations commenced in earnest in the middle of the first quarter, and as such, the revenue recognized this quarter does not yet fully reflect the business's potential. Nevertheless, this represents a positive development with promising growth prospects going forward—provided that operations remain efficient and debt collection continues consistently.



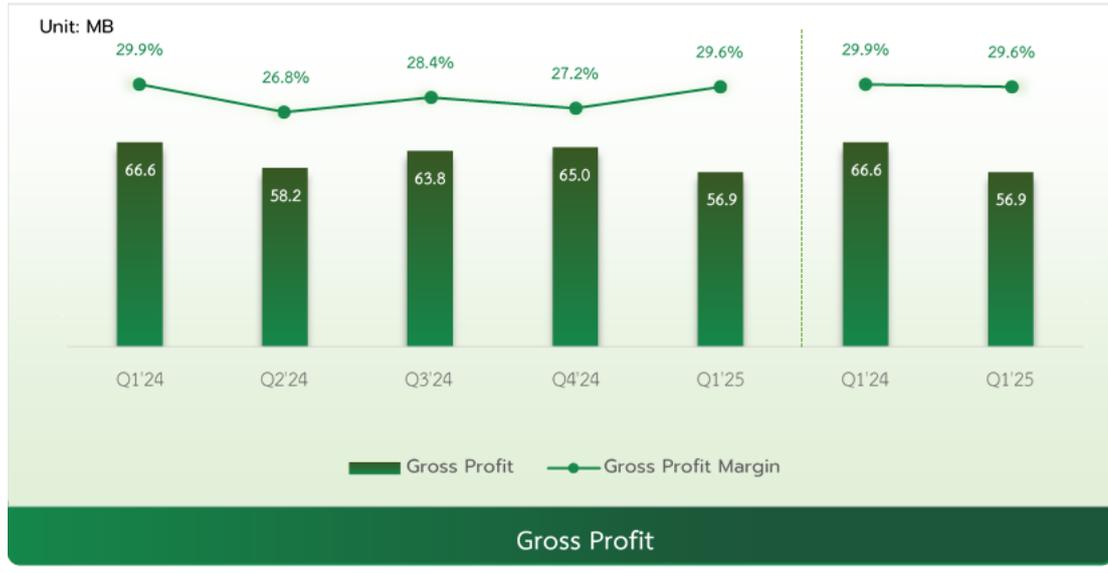
Q1 (Unit: Million Baht)	2024	2025	Change	% Change
Revenue by Region	222.8	191.2	-31.6	-14.2%
○ Domestic	64.2	53.6	-10.6	-16.5%
○ Other Export	98.1	89.4	-8.7	-8.9%
○ China	60.5	48.2	-12.3	-20.3%

In Q1/2025, the Company recorded total revenue by region of THB 191.2 million, compared to THB 222.8 million in the same period of the previous year, representing a 14.2% YoY decrease. Revenue can be analyzed by key regions as follows:

- Domestic Market:** Revenue totaled THB 53.6 million, down from THB 64.2 million (-16.5% YoY), reflecting a slowdown in domestic demand. The Company is currently adjusting its strategies to strengthen its position and better respond to shifting customer needs within the country.
- International Markets (excluding China):** Revenue amounted to THB 89.4 million, a slight decrease from THB 98.1 million (-8.9% YoY). Although impacted by global economic conditions to some extent, strong sales of Compound products helped support overall international revenue, resulting in a relatively mild contraction in this segment.
- China:** Revenue from the Chinese market was THB 48.2 million, down from THB 60.5 million (-20.3% YoY), primarily due to intense price competition from local producers. Nevertheless, China remains a key market for the Company in the long term. Strategic reviews are underway to improve pricing and marketing approaches to maintain competitiveness and strengthen customer retention.
- Revenue Proportion by Region:** In terms of proportion, international markets (including China) continued to be the Company's main revenue source in Q1/2025, accounting for 72% of total revenue, while the domestic market accounted for 28%. The breakdown is as follows: Other Export Markets – 47%, China – 25%, and Domestic – 28%. This revenue structure reflects the Company's reliance on international markets, particularly in Europe

and the Middle East, which continue to show positive momentum. Despite economic volatility in some regions, the Company is proactively planning strategies to navigate market shifts while maintaining a balanced and sustainable revenue mix from both domestic and international markets over the long term.

Gross profit



In Q1/2025, the Company recorded a gross profit of THB 56.9 million, down from THB 66.6 million in Q1/2024 and THB 65.0 million in Q4/2024. However, despite the decline in absolute gross profit, the Company successfully maintained a high gross profit margin at 29.6%, compared to 29.9% in the same quarter of the previous year, and higher than 27.2% in the previous quarter. This reflects the Company's effective cost management amid ongoing market volatility.

Maintaining a stable gross profit margin despite lower sales is considered a positive sign. Key contributing factors include stable raw material costs and efficient inventory management, which helped prevent production costs from rising in proportion to the decline in revenue. As a result, the Company has continued to demonstrate strong structural profitability and operational efficiency.

Distribution cost and Administrative Expenses

Q1 (Unit: Million Baht)	2024	2025	Change	% Change
Distribution costs	23.1	19.1	-4.0	-17.2%
Administrative expenses	29.3	33.1	3.8	13.1%
Total	52.4	52.2	-0.2	-0.4%

In Q1/2025, the Company's total selling and administrative expenses amounted to THB 52.2 million, a slight decrease from THB 52.4 million in the same period of the previous year, representing a reduction of THB 0.2 million or 0.4% YoY.

- Selling expenses amounted to THB 19.1 million, down from THB 23.1 million, reflecting a 17.2% YoY decrease. The reduction was primarily due to lower sales volume, coupled with a decrease in transportation costs, in line with a drop in export volume in certain regions.
- Administrative expenses were THB 33.1 million, up from THB 29.3 million in Q1/2024, representing a 13.1% increase year-over-year.

Profit (loss) from operating activities and Net Profit for the Period

Q1 (Unit: Million Baht)	2024	2025	Change	% Change
Profit (loss) from operating activities	27.6	8.0	-19.6	-71.1%
Reversal of (impairment loss) with TFRS 9	(2.4)	(0.6)	1.8	76.4%
Finance cost	2.8	3.1	0.2	8.8%
Tax expense	0.1	0.6	0.5	363.6%
Profit (Loss) Per Share	22.3	3.7	-18.6	-83.3%
Profit (Loss) Per Share	0.08	0.01	-0.07	-83.3%

In Q1/2025, the Company recorded operating profit of THB 8.0 million, down from THB 27.6 million in the same period of the previous year, representing a decrease of THB 19.6 million or 71.1% YoY. The decline was mainly due to reduced revenue in certain product segments. However, the Company was able to maintain operating expenses at a level comparable to the previous year and continued to preserve a strong gross profit margin, reflecting efficient cost management.

Additionally, the reversal of expected credit losses under TFRS 9 improved, with losses narrowing from THB (2.4) million to THB (0.6) million, thereby reducing the negative impact on profit. Finance costs increased slightly to THB 3.1 million, in line with higher use of working capital facilities.

As a result, the Company posted net profit of THB 3.7 million for the quarter, down from THB 22.3 million in Q1/2024, representing a decrease of 83.3% YoY. Earnings per share also declined from THB 0.08 to THB 0.01. Nevertheless, the Company managed to remain profitable amid

economic challenges, thanks to proactive adaptation and effective cost control, positioning itself for a potential recovery in revenue in the coming quarters.

The overall financial status of the Company and its subsidiaries as of March 31, 2025 with the comparison to the financial status as of December 31, 2024 are summarized as below:

(Unit: Million Baht)	31 Dec 2024	31 Mar 2025	Change	% Change
Total Assets	1075.6	1156.9	81.3	7.6%
Total Liabilities	427.4	505.9	78.5	18.4%
Total Equity	648.2	651.0	2.8	0.4%

Assets

As of 31 March 2025, the Company and its subsidiaries reported total assets of THB 1,156.9 million, representing an increase of THB 81.3 million or 7.6% compared to THB 1,075.6 million as of 31 December 2024. The key contributing factors to this increase are as follows:

- Cash and cash equivalents stood at THB 368.4 million at the end of Q1/2025, slightly decreasing from THB 369.0 million as of year-end 2024.
- Inventories increased by THB 32.0 million, rising from THB 152.2 million to THB 184.2 million, in preparation for fulfilling purchase orders expected in the following quarter.
- Loans purchased of receivables were recorded for the first time at THB 65.9 million, as the Company expanded into the asset management business. This amount represents receivables acquired from a leasing company, which the Company now manages with a focus on debt collection and restructuring negotiations with both borrowers and guarantors to generate revenue and long-term business returns.

Liabilities

As of 31 March 2025, the Company and its subsidiaries recorded total liabilities of THB 505.9 million, representing an increase of THB 78.5 million or 18.4% compared to THB 427.4 million as of 31 December 2024. The key contributing factors are as follows:

- Bank overdrafts and short-term borrowings from financial institutions increased by THB 60.4 million, rising from THB 287.8 million to THB 348.2 million.
- Trade and other current payables increased by THB 23.0 million, from THB 103.0 million to THB 126.0 million, primarily due to an increase in trade payables that were not yet due.

Equity

As of 31 March 2025, the Company and its subsidiaries reported total shareholders' equity of THB 651.0 million, representing an increase of THB 2.8 million or 0.4% from THB 648.2 million as of 31 December 2024. The main contributing factor is as follows:

- Retained earnings increased by THB 3.7 million, from THB 143.3 million to THB 147.1 million, reflecting the Company's continued profitability during the period.

Cash flow

Based on the results for 1Q2025, the company had cash flow as following details:

- Net cash used in operating activities amounted to THB 39.3 million, compared to net cash inflow of THB 88.9 million in the same period last year. The change was primarily due to the purchase of loans from receivables totaling THB 65.9 million, and an increase in inventory of THB 32.5 million. On the other hand, the Company received cash from a decrease in trade receivables of THB 29.0 million and an increase in trade payables of THB 23.1 million, which helped partially offset the outflows.
- Net cash used in investing activities was THB 12.8 million, compared to net cash inflow of THB 0.4 million in the same period of the previous year. This was mainly due to capital expenditures of THB 9.0 million for property and equipment, and THB 5.0 million in short-term loans to other parties. The Company also received THB 0.2 million from the sale of assets.
- Net cash provided by financing activities amounted to THB 32.5 million, a reversal from the net cash outflow of THB 54.7 million in the prior year. The increase was mainly attributable to short-term borrowings from financial institutions totaling THB 55.1 million, while repayments of both short-term and long-term borrowings amounted to THB 17.9 million.

As a result of the above activities, cash and cash equivalents decreased by THB 0.6 million, from THB 369.0 million at the beginning of the quarter to THB 368.4 million at the end of the period. This cash level remains stable and sufficient to support the Company's operations and short-term investment plans.

Outlook and Strategic Plan for 2025

In 2025, UBIS aims to enhance its competitiveness and continue expanding its presence in international markets. The Company is focused on aligning its operations with international standards, improving production efficiency, and driving sustainability in response to shifting

economic trends and evolving market demands. The strategic focus for the year is outlined below:

Outlook

1. Growth in International Markets – Middle East, Latin America, and Europe

These regions are showing increased demand for industrial products, particularly those that meet international standards and are environmentally friendly. This trend aligns well with UBIS's product offerings and manufacturing processes.

2. Volatility in Raw Material Prices and Cost Management

While oil and raw material prices are expected to stabilize, global market fluctuations remain. UBIS will therefore prioritize efficient cost management and securing more stable sources of raw materials to maintain control over production costs.

3. Rising Importance of Environmental and Sustainability Standards

Environmental standards such as BRC, ISO, and carbon footprint reduction are becoming key requirements in many countries. UBIS is committed to becoming a low-carbon organization and is working to make its production processes more environmentally friendly, in line with increasingly stringent market expectations.

4. Geopolitical Tensions

Geopolitical conflicts and varying trade policies across countries may lead to export restrictions, including tariffs, import controls, or economic sanctions, which could impact UBIS's operations in some regions. To mitigate these risks, the Company is expanding into Asia-Pacific, Africa, and South America, reducing dependence on any single market. In parallel, UBIS is developing a global network of strategic partners to ensure long-term business sustainability despite trade limitations.

Strategic Initiatives

1. Strengthening Existing Customer Relationships Domestically and Internationally

UBIS prioritizes maintaining strong relationships with existing customers by ensuring high-quality products, timely delivery, and consistent service. The Company is also committed to growing alongside its long-term partners by offering technical support, continuously improving production processes to meet evolving demands, and increasing production capacity to accommodate growing orders—particularly from customers in high-growth sectors in Asia and the Middle East.

2. Growth Through New Product Development

Continuous innovation is a key strategic priority for UBIS. The Company focuses on developing new products that meet both domestic and international market needs. These

products not only enhance competitiveness but also allow UBIS to integrate into the supply chains of emerging high-potential industries. Development efforts emphasize compliance with legal, quality, and safety standards in each target country, as well as alignment with global environmental expectations.

3. Growth Through New Customer Acquisition

Expanding the customer base in untapped markets is another important strategy. Building on successful market entries in Latin America and the Middle East, UBIS leverages market-specific product offerings and works closely with strong local distributors and partners to understand consumer behavior and reduce market entry barriers. This approach will also be extended to other high-potential regions going forward.

4. Pursuit of New Business Opportunities

Beyond its core business, UBIS actively explores new ventures that leverage its existing strengths or create new income streams to diversify risk. For instance, its investment in asset management services marks a strategic move to reduce reliance on its core product lines. These initiatives are designed to enhance long-term competitiveness while aligning with UBIS's sustainability and value-creation goals.

With these trends and strategies, UBIS is well-positioned to become a globally responsible and sustainably growing organization. Market expansion, operational excellence, and strategic partnerships will enable the Company to achieve long-term growth targets and meet the needs of customers in high-standard markets worldwide.

Sincerely yours,

(Mr. Piyakun Kritayanutku)

Authorized Person to Disclose