

No. FTI-2565/016

May 18, 2022

Re: Management Discussion and Analysis for the year 2021

To: The President
 The Stock Exchange of Thailand

Function International Public Company Limited (the Company) would like to clarify the operating results for the year ended December 31, 2021 which was reviewed by a certified public accountant (CPA) as follows:

The operating results for the year of 2021, the Company has total revenue Baht 717.53 million, decreased by Baht 143.56 million or 16.67 percent and the profit for the period Baht 36.39 million, decreased Baht 33.91 million or 48.24 percent, mainly are from as follows:

Company's Performance	Year 2021		Year 2020		Compare	
	Amount	%	Amount	%	Amount	%
Revenue from goods and services	717.53	100.00	861.09	100.00	(143.56)	(16.67)
Cost of goods and services	514.83	71.75	616.12	71.55	(101.29)	(16.44)
Gross profit	202.70	28.25	244.97	28.45	(42.27)	(17.26)
Others income	3.13	0.44	14.60	1.70	(11.47)	(78.56)
Distribution cost	69.05	9.62	75.43	8.76	(6.38)	(8.46)
Administrative expense	88.54	12.34	91.17	10.59	(2.63)	(2.88)
Financial expense – Interest	2.84	0.40	5.30	0.62	(2.46)	(46.42)
Gross Profit	45.48	6.34	87.76	10.19	(42.28)	(48.18)
TAX expense	9.09	1.27	17.46	2.03	(8.37)	(47.94)
Profit	36.39	5.07	70.30	8.16	(33.91)	(48.24)
Total comprehensive income	39.44	5.50	67.49	7.84	(28.05)	(41.56)

Revenues from sales and services

In the of 2021, the Company has revenues from sales and services Baht 717.53 million, decreased from the same period of the previous year Baht 143.56 million or 16.67 percent because by Covid-19 pandemic,

Cost of sales and services

In the of 2021, the Company has cost of sales and services Baht 514.83 million, decreased from the same period of the previous year Baht 101.29 million, in line with the decrease in revenues.

Distribution cost

In the of 2021, the Company has distribution cost Baht 69.05 million or 9.62 percent of revenues from sales and services, decreased from the same period of the previous year Baht 6.38 million or 8.46 percent because Efficient cost reduction

Administrative expenses

In the of 2021, the Company has administrative expenses Baht 88.54 million or 12.34 percent of revenues from sales and services, decreased from the same period of the previous year Baht 2.63 million or 2.88 percent because of the decrease in employee expense.

Profit

In the of 2021, the Company has gross profit Baht 202.70 million, decreased from the same period of the previous year Baht 42.27 million, in line with the decrease in revenues. Gross profit margin 28.45 percent of revenues from sales and services because of the decrease in manufacturing expense.

The Company has net profit at Baht 36.39 million or 5.07 percent of revenues from sales and services, increased Baht 33.91 million or 48.24 percent.

Financial position

Total assets

As at December 31, 2021, the Company has total assets Baht 567.75 million, increased from the end of pervious year at 2.41 percent, mainly from the increase in property, plant and equipment.

Total liabilities

As at December 31, 2021, the Company has total liabilities Baht 211.81 million, decreased from the end of previous year at 6.78 percent, mainly from making payment of short-term loan from financial institutions.

Shareholder's equity

As at December 31, 2021, the Company has shareholder's equity Baht 355.95 million, increased from the end of previous year at 8.80 percent, mainly from the increase of the operating profit.

Please be informed accordingly.

Yours sincerely,

(Mr. Kawewat Siriwongmongkol)

Chief Financial Officer