

บริษัท นิวพลัสไนติ้ง จำกัด (มหาชน)
NEW PLUS KNITTING PUBLIC COMPANY LIMITED

August 8, 2022

Subject : Management Discussion and Analysis Quarter 2 Ending 30-June-2022

To : The Managing Director the Stock Exchange of Thailand.

New Plus Knitting Public Company Limited would like to clarify the operating results for second quarter 2022. The details are as follows:

Consolidated Operating Results For second quarter 2022 (Three months)

Revenues

The revenue from the sale of goods and rendering services totaled 52.53 million baht, which was increased by 16.37 million baht or 45.29% compared to the same last year. The details are as follows:

Revenues from sales knitting process 42.84 million baht increased by 17.58 million baht or 69.60%

Revenues from sales Fabric process 9.40 million baht decreased by 1.37 million baht or 12.74%

Revenues from the rendering services and rent 0.29million baht increased by0.16 million baht or136.57%

Sales of textile products increase due to more customer orders. This is in accordance with market conditions and the situation of the COVID-19 outbreak that has continued to improve.

Cost of sales and services

The cost of sales and service totaled 47.65 million baht, which was increased 12.68 million baht or 36.27% compared to the same last year. The details are as follows:

Cost of sales knitting process 39.01 million baht increased by 13.95 million baht or 55.67%

Cost of sales Fabric process 8.64 million baht decreased by 1.27 million baht or 12.80%

The increase in cost of sales is less than the increase in sales. Due to production cost control. But there are still higher raw material costs and higher energy costs.

Gross Loss

The gross loss totaled 4.87 million baht, which was loss increased 3.69 million baht or 312.40% compared to the same last year.

Other income

Other income 0.49 million baht ,which was decreased 0.12 million baht or 18.99% compared to the same last year.As a result, Expected credit losses reversal decreased 0.19 million baht.

Expenses

The expenses totaled 5.77 million baht, which was decreased 0.51 million baht or 8.15% compared to the same last year. The details are as follows:

Selling expenses 0.06 million baht decreased by 0.02 million baht or 23.80%

Administrative expenses 4.60 million baht decreased by 0.39 million baht or 7.86%

Management benefit expenses 1.11 million baht decreased by 0.10 million baht or 8.38%

Finance costs

The finance costs 0.20 million baht, which was decreased 0.002 million baht or 1.18% compared to the same last year.

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Loss before income tax and net Loss

The Loss before income tax 0.61 million baht which was loss decreased 4.09 million baht or 87.07% and Income tax expenses 0.20 million baht which was increased 0.03 million baht or 21.50% ,Deferred tax 15.86 million baht increased 16.01 million baht and net loss 16.66 million baht which was loss increased 11.95 million baht or 253.74% compared to the same last year. Due to deferred income tax of baht 15.80 million baht from the reduction (reversal) of the Company's investment value adjustment allowance. New Plus Industry Co., amount 79 million baht.

Consolidated Operating Results For second quarter 2022 (six months)

Revenues

The revenue from the sale of goods and rendering services totaled 96.11 million baht, which was increased by 9.31 million baht or 10.73% compared to the same last year. The details are as follows:

Revenues from sales knitting process 76.61 million baht increased by 11.73 million baht or 18.07%

Revenues from sales Fabric process 18.68 million baht decreased by 2.98 million baht or 13.77%

Revenues from the rendering services and rent 0.81 million baht increased by 0.57 million baht or 235.89%

Sales of textile products increase due to more customer orders. This is in accordance with market conditions and the situation of the COVID-19 outbreak that has continued to improve.

Cost of sales and services

The cost of sales and service totaled 88.23 million baht, which was increased 11.72 million baht or 15.32% compared to the same last year. The details are as follows:

Cost of sales knitting process 71.30 million baht increased by 13.40 million baht or 23.15%

Cost of sales Fabric process 16.93 million baht decreased by 1.69 million baht or 9.02%

The increase in cost of sales is less than the increase in sales. Due to production cost control. But there are still higher raw material costs and higher energy costs.

Gross Profit

The gross profit total 7.88 million baht, which was decreased 2.41 million baht or 23.45% compared to the same last year.

Other income

The other income total 0.97 million baht, which was increased 0.32 million baht or 49.80% compared to the same last year.

Expenses

The expenses totaled 12.14 million baht, which was decreased 0.62 million baht or 4.85% compared to the same last year. The details are as follows:

Selling expenses 0.17 million baht increased by 0.02 million baht or 9.81%

Administrative expenses 9.60 million baht decreased by 0.45 million baht or 4.52%

Management benefit expenses 2.38 million baht decreased by 0.18 million baht or 7.03%

Finance costs

The finance costs 0.31 million baht, which was decreased 0.03 million baht or 8.52% compared to the same last year.

Loss before income tax and net Loss

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The Loss before income tax 3.61 million baht which was loss increased 1.44 million baht or 66.55% and Income tax expenses 0.39 million baht which was increased 0.03 million baht or 7.66%, Deferred tax 15.61 million baht increased 15.86 million baht and net loss 19.60 million baht which was loss increased 17.33 million baht or 763.93% compared to the same last year. Due to deferred income tax of baht 15.80 million baht from the reduction (reversal) of the Company's investment value adjustment allowance. New Plus Industry Co., amount 79 million baht.

Consolidated Financial Statements

As of 30 June 2022, the company's financial position was as follows:-

Assets

The assets total 471.92 million baht, which was increased 8.19 million baht or 1.77% compared to 2021. The details are as follows:

- 1) Total current assets 193.13 million baht increased 12.68 or 7.03% :-
 - Cash and cash equivalents increased 3.93 million baht
 - Trade and other receivables increased 8.31 million baht in proportion to the decrease in sales.
 - Inventories decreased 0.98 million baht
 - Other current increased 0.05 million baht unrealized gains on investments
 - Other current assets increased 1.38 million baht
- 2) Total non-current assets 278.78 million baht decreased 4.49 million baht or 1.59% :-
 - Other non-current financial assets increased 0.73 million baht from the change in fair value of securities.
 - Property plant and equipment decreased 2.64 million baht from the depreciation.
 - Right-of-use assets-buildings increased 6.80 million results of compliance with TFRS 16
 - Intangible assets increased 0.04 million baht from the amortization of assets.
 - Deferred tax assets decreased 9.62 million baht .
 - Other non-current assets increased 0.20 million baht.

Liabilities and shareholders' equity

Total liabilities 75.68 million which was increased 27.73 million baht or 57.83% compared to 2021. The details are as follows:

- 1) Total current liabilities 31.06 million baht which was increased 17.14 million baht or 123.08% :-
 - Bank overdrafts and short-term loans from financial institutions increased 6.97 million baht.
 - Trade and other payables decreased 7.57 million baht.
 - Current portion of assets payables decreased 0.06 million baht.
 - Current portion of lease liability increased 2.68 million baht. Results of compliance with TFRS 16

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- Accrued income tax increased 0.11 million baht.
- Other current liabilities decreased 0.13 million baht.

- 2) Total non-current liabilities 44.62 million baht which was increased 10.59 million baht or 31.13%
- Lease liability increased 4.15 million baht. Results of compliance with TFRS 16
 - Employee benefit obligations increased 0.45 million baht.
 - Deferred tax liabilities increased 6.00 million baht.

Total shareholders' equity 396.33 million baht which was decreased 19.54 million baht or 4.70% compared to 2021. As a result of operating .

Summary Financial Information: Consolidated Financial Statements

Items	Unit	Jun 30,22	Jun 30,21
<u>Operating results:-</u>			
Revenues from sales and services	million	95.30	86.56
Other incomes		0.81	0.24
Total revenues from sales and services		96.11	86.80
Net profit (loss)		(19.60)	(2.27)
<u>Financial position:-</u>			
Total assets	million	471.92	494.89
Total liabilities		75.68	63.03
Total shareholders' equity		396.23	431.86
<u>Financial ratio:-</u>			
Liquidity ratio	Time	6.22	7.36
Net profit margin	%	(20.41)	(2.61)
Return on equity	%	(4.95)	(0.53)
Return on asset	%	(4.15)	(0.46)
Debt to equity ratio	Time	0.19	0.15
Interest Coverage ratio	Time	(10.59)	(5.37)

Results of operations Separate financial statements For the second quarter of 2022 (three months)

Revenues

The revenue from the sale of goods and rendering services totaled 39.74 million baht, which was increased by 12.15 million baht or 44.04% compared to the same last year. The details are as follows:

- Revenues from sales knitting process 23.25 million baht increased by 12.04 million baht or 107.39%
- Revenues from sales Fabric process 7.54 million baht decreased by 1.40 million baht or 15.66%
- Revenue from the sale of raw materials 8.73 million baht increased by 1.47 million baht or 20.22%
- Revenues from the rendering services and rent 0.22 million baht increased by 0.04 million baht or 25.35%

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Sales of textile products increase due to more customer orders. This is in accordance with market conditions and the situation of the COVID-19 outbreak that has continued to improve.

Cost of sales and services

The cost of sales and service totaled 39.59 million baht, which was increased 9.89 million baht or 33.31% compared to the same last year. The details are as follows:

Cost of sales knitting process 23.59 million baht increased by 10.47 million baht or 79.84%
Cost of sales Fabric process 7.44 million baht decreased by 2.02 million baht or 21.36%
Cost of sale of raw materials 8.56 million baht increased by 1.44 million baht or 20.22%

The increase in cost of sales is less than the increase in sales. Due to production cost control. But there are still higher raw material costs and higher energy costs.

Gross Profit

The gross Profit totalled 0.15 million baht, which was Profit increased 2.26 million baht or 107.25% compared to the same last year.

Other income

The other income totalled 79.41 million baht, which was increased 78.78 million baht or 12,602.75% compared to the same last year. As a result, Allowance for loss of investment in subsidiary company(reversal) 79 million baht.

Expenses

The expenses totaled 4.52 million baht, which was decreased 0.51 million baht or 10.15% compared to the same last year. The details are as follows:

Selling expenses 0.04 million baht increased by 0.01 million baht or 27.37%
Administrative expenses 3.54 million baht decreased by 0.46 million baht or 11.44%
Management benefit expenses 0.94 million baht decreased by 0.63 million baht or 6.29%

Finance costs

The finance costs 0.20 million baht, which was increased 0.01 million baht or 5% compared to the same last year.

Profit before income tax and net Profit

The Profit before income tax 74.83 million baht which was Profit increased 81.55 million baht or 1,215.37% and Deferred tax 15.89 million baht increased 15.78 million baht or 15,355.94% and net Profit 58.95 million baht which was Profit increased 65.55 million baht or 992.24% compared to the same last year. As a result, Allowance for loss of investment in subsidiary company(reversal) 79 million baht.

Results of operations Separate financial statements For the second quarter of 2022 (six months)

Revenues

The revenue from the sale of goods and rendering services totaled 74.32 million baht, which was increased by 8.00 million baht or 12.06% compared to the same last year. The details are as follows:

Revenues from sales knitting process 41.48 million baht increased by 9.05 million baht or 27.90%
Revenues from sales Fabric process 15.05 million baht decreased by 0.49 million baht or 14.20%
Revenue from the sale of raw materials 17.35 million baht increased by 1.35 million baht or 8.44%

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Revenues from the rendering services and rent 0.44 million baht increased by 0.09 million baht or 25.35%
Sales of textile products increase due to more customer orders. This is in accordance with market conditions and the situation of the COVID-19 outbreak that has continued to improve.

Cost of sales and services

The cost of sales and service totaled 73.50 million baht, which was increased 8.75 million baht or 13.51% compared to the same last year. The details are as follows:

Cost of sales knitting process 41.93 million baht increased by 9.69 million baht or 30.05%
Cost of sales Fabric process 14.57 million baht decreased by 2.27 million baht or 13.46%
Cost of sale of raw materials 17.00 million baht increased by 1.32 million baht or 8.44%

The increase in cost of sales is less than the increase in sales. Due to production cost control. But there are still higher raw material costs and higher energy costs.

Gross Profit

The gross profit totalled 0.82 million baht, which was decreased 0.75 million baht or 47.71% compared to the same last year.

Other income

The other income totaled 79.60 million baht, which was increased 79.12 million baht or 1,6505.14% compared to the same last year. As a result, Allowance for loss of investment in subsidiary company(reversal) 79 million baht.

Expenses

The expenses totaled 10.06 million baht, which was decreased 0.19 million baht or 1.84% compared to the same last year. The details are as follows:

Selling expenses 0.12 million baht increased by 0.08 million baht or 186.50%
Administrative expenses 7.88 million baht decreased by 0.19 million baht or 2.34%
Management benefit expenses 2.05 million baht decreased by 0.08 million baht or 3.66%

Finance costs

The finance costs 0.33 million baht, which was decreased 0.01 million baht or 1.74% compared to the same last year.

Profit before income tax and net Profit

The Profit before income tax 70.04 million baht which was Profit increased 78.57 million baht or 921.18% ,Deferred tax 15.61 million baht increased 15.30 million baht or 4,950.55% and net Profit 54.43 million baht which was Profit increased 62.65 million baht or 762.13% compared to the same last year. As a result, , Allowance for loss of investment in subsidiary company(reversal) 79 million baht.

Separate financial statements

As of 30 June 2022, the company's financial position was as follows:-

Assets

The assets total 446.99 million baht, which was increased 79.98 million baht or 21.79% compared to 2021. The details are as follows:

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- 1) Total current assets 122.15 million baht increased 4.79 or 4.08% :-
 - Cash and cash equivalents decreased 0.41 million baht
 - Trade and other receivables increased 6.91 million baht
 - Inventories decreased 2.65 million baht
 - Other current increased 0.01 million baht unrealized gains on investments
 - Other current assets increased 0.93 million baht

- 2) Total non-current assets 324.84 million baht increased 75.19 million baht or 30.12% :-
 - Other non-current financial assets increased 0.09 million baht from change in fair value of securities.
 - Investments in subsidiary companies increased 79 million baht.
 - Property plant and equipment decreased 1.31 million baht from the depreciation.
 - Right-of-use assets-buildings increased 6.80 million results of compliance with TFRS 16
 - Intangible assets decreased 0.004 million baht from the amortization of assets.
 - Deferred tax assets decreased 9.63 million baht.
 - Other non-current assets increased 0.20 million baht.

Liabilities and shareholders' equity

Total liabilities 65.36 million which was increased 25.48 million baht or 63.90% compared to 2021. The details are as follows:

- 1) Total current liabilities 24.95 million baht which was increased 15.02 million baht or 151.25% :-
 - Bank overdrafts and short-term loans from financial institutions increased 7.08 million baht.
 - Trade and other payables increased 5.41 million baht.

 - Current portion of assets payables decreased 0.06 million baht.
 - Current portion of lease liability increased 2.68 million baht. Results of compliance with TFRS 16
 - Other current liabilities decreased 0.09 million baht..

- 2) Total non-current liabilities 40.41 million baht which was increased 10.46 million or 34.94%
 - Lease liability increased 4.15 million baht. Results of compliance with TFRS 16
 - Employee benefit obligations increased 0.31 million baht.
 - Deferred tax liabilities increased 6.00 million baht.

Total shareholders' equity 381.63million baht which was increased 54.50 million baht or 16.66% compared to 2021. As a result of operating.

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Summary Financial Information: Separate financial statements

Items	Unit	Jun 30,22	Jun 30,21
<u>Operating results:-</u>			
Revenues from sales and services	million	73.87	65.96
Other incomes		0.45	0.35
Total revenues from sales and services		74.32	66.32
Net Loss		54.43	(8.22)
<u>Financial position:-</u>			
Total assets	million	446.99	396.00
Total liabilities		65.36	52.90
Total shareholders' equity		381.63	343.10
<u>Financial ratio:-</u>			
Liquidity ratio	Time	4.90	6.31
Net profit margin	%	73.24	(12.39)
Return on equity	%	14.26	(2.40)
Return on asset	%	12.18	(2.08)
Debt to equity ratio	Time	0.17	0.15
Interest Coverage ratio	Time	215.46	(24.66)

Please kindly inform our shareholders.

Yours Sincerely,

(Mrs.Orasa Kruthakool)
Director

(Miss Onuma Fuakfon)
Director