



MBAX 003/2565

August 10, 2022

Subject: Clarification of the operating results which are deviated more than 20%

To: The Managing Director
The Stock Exchange of Thailand

- ❖ Multibax Public Company Limited would like to clarify the operating results which are deviated more than 20% from the same period last year, for six months ended June 30, 2022 as follows:

1. Revenue of sales

Total revenue was accounted for 879.09 million Baht, increased by 271.33 million Baht or 44.64 percent compared to the same period last year (607.76 million Baht).

2. Cost of sales

Total cost of sales was accounted for 768.47 million Baht, increased by 196.78 million Baht or 34.42 percent compared to the same period last year (571.69 million Baht).

3. Selling and Administrative Expenses

Total selling and administrative expenses were accounted for 47.70 million Baht, decreased by 1.07 million Baht or 2.19 percent compared to the same period last year (48.77 million Baht).

4. Finance costs

Finance costs was accounted for 10.01 million Baht, increased by 0.17 million Baht or 1.73 percent compared to the same period last year (9.84 million Baht).

5. Other Income

Other incomes were accounted for 8.66 million Baht, decreased by 11.38 million Baht or 56.79 percent compared to the same period last year (20.04 million Baht).

6. Gain & Loss on exchange rate

Gain on exchange rate were accounted for 7.38 million Baht, increased by 17.88 million Baht or 170.29 percent compared to the same period last year (10.50 million Baht).

7. Tax Expenses (Income tax expenses)

Tax expenses was accounted for 8.87 million Baht, increased by 11.30 million Baht or 465.02 percent compared to the same period last year (Income from tax reimbursement 2.43 million Baht).

8. Net (Loss) Profit

Net profit was accounted for 60.09 million Baht, increased by 70.67 million Baht or 667.96 percent compared to the same period last year (Net loss 10.58 million Baht).

Reasons for the increased of the net profit for six months ended June 30, 2022 were:

1. Revenue from sales increased by 271.33 million baht or 44.64 percent, mainly from the higher sales quantity and the selling prices. In 2022, sales were higher than in 2021 although the shortage of containers and higher freight cost were still existed. Comparatively, the current situation of the container crisis was gradually improved, resulted to the better outcome of sales quantity. Another significant contributing factor is the weakening of Thai Baht against US\$ where the sales revenue in Thai Baht were substantially increased. From these reasons, the unit selling prices for the first six months of 2022 were higher than those of 2021.
2. Cost of sales increased by 196.78 million baht or 34.42 percent. This is the reflection from the increasing prices of the plastic resins when compared to the same period last year. These factors resulted to the higher production cost and also the cost of sales per unit. Nevertheless, the company continuously controlled all the relevant costs to match up with the current situation. The increasing impact from the sales revenue were also higher than the cost of sales. As such, the gross profit for the six months of 2022 had been recorded at 110.62 million Baht, increased by 74.55 million baht or 206.68 percent.
3. Total selling and administrative expenses were decreased by 1.07 million Baht or 2.19 percent as the administrative expenses were down from 2022, mainly from the better control of the staff number so to match with the current orders. In 2022, there is no staff reduction, so there is no unplanned worker compensation as we had in 2021.
4. Finance costs increased by 0.17 million Baht or 1.73 percent, mainly from returning of the short-term loans back to the financial institutes.
5. Other income were decreased by 11.38 million Baht or 56.79 percent, from the down trend of customer compensation against the new product sales in this quarter. This compensation was reduced to the level of the trading responsibility agreement.
6. Gain on exchange rate were increased by 17.88 million Baht or 170.29 percent, from the well management of the foreign currency portfolio. The company did quite well on this topic that in 2022, the gain on exchange rate had been recorded at 7.38 million Baht, where in 2021, the company recorded 10.50 million Baht loss.
7. Tax expenses were increased by 11.30 million Baht or 465.02 percent. This is tallying with the higher earnings, while in 2021, the company received reimbursement from the deferred tax assets derived from the net loss.
8. In summary, the revenue of sales was up from the increased sales quantity and the weakening of Thai Baht. The cost of sales and the production cost were increased from the higher prices of plastic resin; thus, the gross profit was recorded at 110.62 million Baht, increased by 74.55 million Baht or 206.68 percent. Combining with all other factors including the increase of the gain on exchange rate, Finance costs and tax expenses, decreasing of the selling & administrative expenses and the other income, altogether provided the net profit for six months ended June 30, 2022 at 60.09 million Baht. This net profit was increased by 70.67 million Baht or 667.96 percent when compared to the net loss from the same period of 2021 at 10.58 million Baht. Nevertheless, if we consider the performance of this quarter only, the net profit was recorded at 42.73 million Baht. When compared with the first quarter performance, a significant increase of the net profit was clearly noticeable. The main contributing factors were the higher sales quantities and the selling prices as explained above.

For your acknowledgement.

Yours Sincerely,

Signature_____

(Mr. Pisuth Lertvilai)
Deputy Managing Director