

August 10, 2022

Subject: Management discussion and analysis of the operating results for the quarter
2/2022

Attn: President
The Stock Exchange of Thailand

Please find the reviewed Financial Statement for the Quarter 2/2022 ending 30 June 2022 which had been reviewed by Certified Auditor and has been approved by the Board of Director.

Food and Drinks Public Company Limited operating result in the Quarter 2/2022 compare to the Quarter 2/2021 and Statement of financial position as at 30 June 2022 compare to as at 31 December 2021 can be summarized the important essence as follows:

Operating Result

Company's Financial Statement in the Quarter 2/2022 has net profit amount to Baht 4.33 million or Baht 0.25 per share (2021 : net profit at Baht 0.81 per share) which net profit decreased by Baht 9.98 million compared to the net profit of Baht 14.31 million in the Quarter 2/2021. Our book value per share as at 30 June 2022 stood at 67.29 Baht. (as at 30 June 2021 : at 61.91 Baht)

Significant changes are as follows:

- 1) Revenue from sale Baht 175.21 million increased by Baht 5.58 million, or 3.29% year-over-year (2021 Revenue from sales Baht 169.63 million).
- 2) Cost of sales increased by Baht 14.24 million due to price of raw materials and packaging increasing. Cost of sales ratio at 86.56% (2021 : at 81.01%) which results in gross profit of Baht 23.54 million decreasing from last year 26.90%.
- 3) Company record profit sharing in joint-venture by equity method of Baht 3.41 million increase from last year by Baht 1.45 million (2021 : profit amounting of Baht 1.96 million).

Statement of Financial Position

Statement of Financial Position as at 30 June 2022, the company has total asset of Baht 1,570.14 million decreased from last year by Baht 15.16 million, total liabilities in Baht 384.14 million decreased from last year by Baht 24.46 million and shareholders' equity of Baht 1,185.99 million decreased from last year by Baht 9.30 million or 0.79%. The important essence detail of changing in asset, liabilities and shareholders' equity are as follows:

Assets

- Cash and cash equivalent decrease by Baht 1.48 million or 12.70% from repayment loan from financial institution.
- Trade and other current receivable increase by Baht 9.95 million from normal business without long overdue receivable.

- Other non-current financial assets decrease 100.00% from the redemption of deposits used as collateral from finance institution.
- Investment in associate decrease by Baht 9.75 million or 10.70% due to dividend received from associate company amounting of Baht 13.64 million.

Liabilities

- Other current financial liabilities increase by Baht 1.04 million or 91.45% due to losses from derivative instruments which recognized losses as of June 30, 2022.
- Long-term loans from financial institutions decrease by Baht 24.71 million or 56.76% from loan repayment.

Shareholders' Equity

- Deficit decrease by 9.30 million or 17.20% due profit from financial results in Q2/2022.

Cash Flow Statement

Cash Flow Statement for the six months period ended 30 June 2022, the company has cash and cash equivalent transaction net decreased from 31 December 2021 in Baht 1.48 million as follows:

- The Company has net cash flows from operating results amounting of Baht 12.63 million.
- Cash flow from dividend received amounting of Baht 13.64 million
- Cash flows used for loans from financial institutions repayment amounting of Baht 24.71 million.

Please be informed accordingly.

Sincerely yours,

(Ms. Huai Hui, Lee)
Chief Operating Officer