

No. FTI-SET-2565/007

November 14, 2022

Re: Management Discussion and Analysis for the Q3/2022

To: The President
 The Stock Exchange of Thailand

Function International Public Company Limited (the Company) would like to clarify the operating results for the third quarter ended September 30, 2022 which was reviewed by a certified public accountant (CPA) as follows:

The operating results for the Third quarter of 2022, the Company has total revenue Baht 527.84 million, decreased by Baht 17.35 million or 3.18 percent and the profit for the period Baht 27.56 million, increased Baht 1.64 million or 6.33 percent, mainly are from as follows:

Operating Results	9-month period 2022		9-month period 2021		Movement	
	Amount	%	Amount	%	Amount	%
Revenues from sales and services	527.84	100.00%	545.19	100.00%	(17.35)	-3.18%
Cost of sales and services	377.97	71.61%	387.64	71.10%	(9.67)	-2.49%
Gross profit	149.87	28.39%	157.55	28.90%	(7.68)	-4.87%
Other revenues	1.78	0.34%	2.87	0.53%	(1.09)	-37.98%
Distribution cost	50.72	9.61%	57.47	10.54%	(6.75)	-11.75%
Administrative expenses	67.77	12.84%	68.48	12.56%	(0.71)	-1.04%
Financial cost - Interest	1.91	0.36%	2.14	0.39%	(0.23)	-10.75%
Profit before income tax expenses	31.25	5.92%	32.33	5.93%	(1.08)	-3.34%
Income tax expenses	3.69	0.70%	6.41	1.18%	(2.72)	-42.43%
Profit for the Period	27.56	5.22%	25.92	4.75%	1.64	6.33%

Revenues from sales and services

In the 3Q/2022, the Company has revenues from sales and services Baht 527.84 million, decreased from the same period of the previous year Baht 17.35 million or 3.18 percent from the impact of household customers decreased 35 percent drop in consumer purchasing power. but the income of Commercial and industrial customer increased 25 percent due to the easing of the Covid-19 epidemic.

Cost of sales and services

In the 3Q/2022, the Company has cost of sales and services Baht 377.97 million, decreased from the same period of the previous year Baht 9.67 million, in line with the decrease in revenues.

Gross Profit

In the 3Q/2022, the Company has gross profit Baht 149.87 million, decreased from the same period of the previous year Baht 7.68 million, in line with the decrease in revenues.

Distribution cost

In the 3Q/2022, the Company has distribution cost Baht 50.72 million decreased from the same period of the previous year Baht 6.75 million or 11.75 percent because of the amortization of Water Store decoration due in 2021 and the decrease in Warehouse expense.

Administrative expenses

In the 3Q/2022, the Company has administrative expenses Baht 67.77 million decreased from the same period of the previous year Baht 0.71 million or 1.04 percent because of the decrease in employee expense.

Profit

In the 3Q/2022, The Company has profit for the period at Baht 27.56 million increased Baht 1.64 million or 6.33 percent.

Financial position

Total assets

As at September 30, 2022, the Company has total assets Baht 857.43 million, increased Baht 289.68 million or 51.02 percent from the end of pervious year at percent, mainly from the increased Cash and cash equivalents Baht 218 million, Inventories Baht 60 million, and the property, plant and equipment. Baht 23 million, decreased Trade and other current receivables Baht 8 million

Total liabilities

As at September 30, 2022, the Company has total liabilities Baht 161.56 million, decreased from the end of previous year at Baht 50.24 million or 23.72 percent, mainly from making payment of loan from financial institutions.

Shareholder's equity

As at September 30, 2022, the Company has shareholder's equity Baht 695.87 million, increased from the end of previous year at Baht 339.92 Million or 95.50 percent, mainly from the increase of the Share capital Baht 130 Million in May 2022 (with share premium, net of Baht 182.37 million) and profit from operation

Please be informed accordingly.

Yours sincerely,

(Mr. Kaweewat Siriwongmongkol)

Chief Financial Officer