



MBAX 001/2023

February 15, 2023

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 year ended December 31, 2022 as follows:

1. Revenue of sales

Total revenue was accounted for 1,971.17 million Baht, increased by 512.43 million Baht or 35.13 percent compared to the same period last year (1,458.74 million Baht).

2. Cost of sales

Total cost of sales was accounted for 1,680.15 million Baht, increased by 386.04 million Baht or 29.83 percent compared to the same period last year (1,294.11 million Baht).

3. Selling and Administrative Expenses

Total selling and administrative expenses were accounted for 141.95 million Baht, increased by 41.32 million Baht or 41.06 percent compared to the same period last year (100.63 million Baht).

4. Finance costs

Finance costs was accounted for 21.90 million Baht, increased by 0.13 million Baht or 0.60 percent compared to the same period last year (21.77 million Baht).

5. Other Income

Other incomes were accounted for 16.02 million Baht, decreased by 26.37 million Baht or 62.21 percent compared to the same period last year (42.39 million Baht).

6. Gain & Loss on exchange rate

Gain on exchange rate were accounted for 1.87 million Baht, increased by 13.24 million Baht or 116.45 percent compared to the same period last year (11.37 million Baht).

7. Tax Expenses (Income tax expenses)

Tax expenses was accounted for 22.46 million Baht, increased by 11.62 million Baht or 107.20 percent compared to the same period last year (10.84 million Baht).

8. Net Profit

Net profit was accounted for 122.60 million Baht, increased by 60.19 million Baht or 96.44 percent compared to the same period last year (62.41 million Baht).

Reasons for the increased of the net profit for year ended December 31, 2022 were:

1. Revenue from sales increased by 512.43 million baht or 35.13 percent, mainly from the higher sales quantity and the selling prices. In 2022, sales were higher than in 2021 despite the remaining of container shortage. However, the current container crisis was gradually improved, so, better sales quantity was noticed. Another significant contributing factor is the weakening of Thai Baht against US\$, thus, the sales revenue in Thai Baht were substantially increased. From these reasons, the unit selling prices for the first nine months of 2022 were clearly higher than those of 2021.
2. Cost of sales increased by 386.04 million baht or 29.83 percent. This is the reflection from the increasing prices of the plastic resins when compared to the same period last year, mainly due to the weakening of Thai Baht. These factors resulted to the higher production cost and the cost of sales per unit. Nevertheless, the company effectively control all the relevant costs to match up with the current situation, then, added up by the positive impact from the sales revenue against the cost of sales. As such, the gross profit for year ended of 2022 had been recorded at 291.02 million Baht, increased by 126.39 million baht or 76.77 percent.
3. Total selling and administrative expenses were increased by 41.32 million Baht or 41.06 percent from the additional employee bonus and the loss on impairment of the assets. In contrast, the selling and export expenses were decreased from the better exports situation.
4. Financial costs increased by 0.13 million Baht or 0.60 percent, from the additional drawings of the short-term loan from the financial institutes
5. Other income were decreased by 26.37 million Baht or 62.21 percent, from the down trend of customer compensation against the new product sales in this quarter. This compensation was reduced proportionately to the level of the trading responsibility agreement.
6. Gain on exchange rate were increased by 13.24 million Baht or 116.45 percent, from the proper management of the foreign currency portfolio. The company did well enough on this topic that in 2022, the gain on exchange rate was 1.87 million Baht against the 11.37 million Baht loss in 2021.
7. Tax expenses were increased by 11.62 million Baht or 107.20 percent. This tallied with the higher profit, 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. The gross profit was recorded at 291.02 million Baht, increased by 126.39 million Baht or 76.77 percent. Combining with all the other factors including the increase of the gain on exchange rate, increasing of the selling & administrative expenses, tax expenses, and decreasing of the other income, altogether provided the net profit for year ended December 31, 2022 at 122.60 million Baht. This net profit was increased by 60.19 million Baht or 96.44 percent when compared to the same period of 2021 at 62.41 million Baht. Nevertheless, if we just consider the performance for nine months only that the company recorded the net profit at 128.58 million baht, we must conclude that the net profit for full year were decreasing. This can be explained by the net loss in the fourth quarter of 2022, at 5.98 million baht, mainly due to the increase of the administrative expenses and the loss on impairment of assets as explained above.

For your acknowledgement.

Yours Sincerely,

Signature _____
(Mr. Pisuth Lertvilai)
Deputy Managing Director