

Ref.: EFORL IR003/2023

February 24, 2023

Subject: Management Discussion and Analysis Yearly Ending 31 December 2022

To President
 The Stock Exchange of Thailand

1. Overview financial performance of E for L Aim Public Company Limited (“EFORL” or “the Company”) and its subsidiaries (collectively as “the Companies”) for the year ended 31 December 2022

Financial performances Comparison is as follows:

Baht'000	Consolidated F/S			Separate F/S		
	2022	2021	Δ%	2022	2021	Δ%
Revenues from Sales and Services	1,492,481	2,165,329	-31%	1,388,616	1,949,068	-29%
Dividend income	-	-		7,000	10,000	-30%
Other income	18,071	13,304	36%	16,865	7,346	130%
Total Revenues	1,510,552	2,178,633	-31%	1,412,481	1,966,414	-28%
Gross profit	495,734	727,124	-32%	456,861	661,805	-31%
Margin	33%	34%		33%	34%	
Profit before finance costs and income tax	85,232	826,840	-90%	89,617	259,704	-65%
Margin	6%	38%		6%	13%	
Profit for the year	53,037	777,685	-93%	60,169	226,042	-73%
Margin	4%	36%		4%	12%	
Profit for the year attributable to Equity holder of the Company	53,037	812,030	-93%	60,169	226,042	-73%
Margin	4%	38%		4%	12%	

"Excellence for Life"

Financial performance in 2022

Revenue from sales and services for the year ended 31 December 2022 was Baht 1,492 million decreased by 31% compared to the previous year which mainly came from the chip shortage (raw materials), at suppliers to produce medical device products. The Company; therefore, was unable to deliver products to the hospitals. The Company is currently discussing with the suppliers to solves this issue. Whereas in 2022 the Company had a positive impact from high demand for medical devices form COVID-19 outbreak situation causing new high revenues.

In the present, the Company is negotiating with potential partners to increase new products including with product lines to increase the revenues which has been well received responses by such partners to appoint the Company as their distributors. This reflects that the Company still has a creditability and get trusts from partners.

2. Key Highlights for performance for the year 2022 and 2021

Baht'000	Consolidated F/S			Separate F/S		
	2022	2021	Δ%	2022	2021	Δ%
REVENUES FROM SALES AND SERVICES						
Revenues from sales and services of medical equipment	1,492,481	2,162,565	-31%	1,388,616	1,949,068	-29%
Revenues from sales and beauty treatment services	-	2,764	-100%	-	-	-
Total revenues from sales and services	1,492,481	2,165,329	-31%	1,388,616	1,949,068	-29%
COSTS OF SALES AND SERVICES						
Costs of sales and services of medical equipment	(996,747)	(1,436,098)	-31%	(931,755)	(1,287,263)	-28%
Costs of sales and beauty treatment services	-	(2,107)	-100%	-	-	-
Total costs of sales and services	(996,747)	(1,438,205)	-31%	(931,755)	(1,287,263)	-28%
Gross profit	495,734	727,124	-32%	456,861	661,805	-31%
Dividend income	-	-	-	7,000	10,000	-30%
Other income	18,071	13,304	36%	16,865	7,346	130%
Selling expenses	(275,655)	(291,368)	-5%	(251,763)	(263,941)	-5%
Administrative expenses	(141,891)	(163,583)	-13%	(128,319)	(138,760)	-8%
Loss on impairment of trade accounts receivable and other receivables	(11,027)	(11,062)	0%	(11,027)	(12,860)	-14%
Loss on disposal of subsidiaries	-	(6,931)	-100%	-	(3,886)	-100%
Difference from deconsolidation of subsidiaries' financial statements	-	559,356	-100%	-	-	-
Profit before finance costs and income tax	85,232	826,840	-90%	89,617	259,704	-65%
Finance costs	(29,510)	(48,903)	-40%	(27,856)	(37,372)	-25%
Profit before income tax	55,722	777,937	-93%	61,761	222,332	-72%
Income tax expense	(2,685)	(252)	965%	(1,592)	3,710	-143%

Baht'000	Consolidated F/S			Separate F/S		
	2022	2021	Δ%	2022	2021	Δ%
Profit for the year	53,037	777,685	-93%	60,169	226,042	-73%
Other Comprehensive Income	-	-		-	-	
Total Comprehensive Income for the year	53,037	777,685	-93%	60,169	226,042	-73%
Profit (loss) for the year attributable to						
Equity holder of the Company	53,037	812,030	-93%	60,169	226,042	-73%
Non - controlling interests	-	(34,345)	-100%	-	-	
	53,037	777,685	-93%	60,169	226,042	-73%
Total Comprehensive Income for the year attributable to						
Equity holder of the Company	53,037	812,030	-93%	60,169	226,042	-73%
Non - controlling interests	-	(34,345)	-100%	-	-	
	53,037	777,685	-93%	60,169	226,042	-73%
Basic earnings per share						
Profit (Baht per share)	0.0133	0.2202	-94%	0.0151	0.0613	-75%
Weighted average number of common shares (Thousand shares)	3,997,865	3,687,194	8%	3,997,865	3,687,194	8%
Key Financial Ratios						
Gross Profit Margin	33.22%	33.58%	-1.09%	32.90%	33.95%	-3.11%
SG&A as % to Sales	27.98%	21.01%	33.15%	27.37%	20.66%	32.48%
Net Profit Margin	3.55%	35.92%	-90.11%	4.33%	11.60%	-62.64%
Net Profit Margin (Portion of the Company's shareholders)	3.55%	37.50%	-90.52%	4.33%	11.60%	-62.64%

Revenues from sales and services

In 2022 revenues from sales and services was Baht 1,492 million decreased by 31% compared to same period at the previous year due to chip shortage as aforementioned.

Gross margin

Gross income in 2022 was Baht 496 million decreased by 32% comparing to the same period at the previous year. Gross profit margin ratio in 2022 was 33.22% decreased by 1.09% comparing to the same period at the previous year.

Selling and Administrative Expenses

Selling and Administrative expenses in 2022 were Baht 418 million consisting of selling expenses (Baht 276 million) and administration expenses (Baht 142 million). Selling expenses and administrative expenses in 2022 decreased by 8% comparing to the previous year. SG&A as percentage to total revenues in 2022 of 27.98

Financial costs

Financial costs in 2022 were Baht 30 million decreased by 40% compared to the same period at the previous year due to payment to financial institutions.

Net income/ Loss

In 2022, the net profit of EFORL and its subsidiaries was Baht 53 million or decreased by 93% comparing to the same period at the previous year. This is because in 2021 the Company divested all investment in beauty businesses and recognized the difference from deconsolidation of subsidiaries of Baht 559 million in profit and loss statements. Net profit margin ratio in 2022 was 3.55% and Profit for the period attributable to Equity holder of the Company was Baht 53 million.

Please be informed accordingly.

Yours sincerely,

Preecha Nuntnarumit

(Mr. Preecha Nuntnarumit)

Chief Executive Officer