

No. NEXP-312-2302001

24 February 2023

Subject: Management Discussion and Analysis of Financial Statements for the year ended
 31 December 2022

To: The President of The Stock Exchange of Thailand

We, NEX Point Public Company Limited (“the company”) would like to clarify to the operating results of the company and subsidiaries for the year ended 31 December 2022 which has been approved by the Board of Directors meeting held on 24 February 2023. The details are as follows:

Overview of operating results for the year ended 31 December 2022

Unit: Million Baht

Segment	For year ended 31 December 2022			For year ended 31 December 2021			Change Increase (Decrease)	%Change Increase (Decrease)
	Revenue	Cost	Gross Profit (Loss)	Revenue	Cost	Gross Profit (Loss)		
1. Commercial electric vehicle business	5,976.12	5,656.76	319.36	238.87	165.25	73.62	245.74	334%
2. Computer and Software system business	554.53	432.07	122.46	388.56	288.40	100.16	22.30	22%
3. Logistic services business	33.12	78.16	(45.04)	39.03	65.42	(26.39)	(18.65)	(71%)
Total	6,563.77	6,166.99	396.78	666.46	519.07	147.39	249.39	169%
Add Other Revenue			52.85			21.61	31.24	145%
Less sales and administrative expenses			(276.09)			(280.45)	(4.36)	(2%)
Less Financial costs			(14.90)			(8.03)	6.87	86%
Less Income tax			(47.54)			29.13	76.67	N/A
Share of gain (loss) from an investment in an associate			131.71			(4.70)	136.41	N/A
Net Profit (Loss)			242.81			(95.05)	337.86	N/A
Profit of non-controlling interests			34.44			11.81	22.63	192%
Profit (Loss) attributable to the parent company			208.37			(106.86)	315.23	N/A

Operating Results in Summary

Revenue from sales and services

- For the year ended December 31, 2022, the Company earned the total revenue from sales and service of Baht 6,563.77 million, increased by Baht 5,897.31 million, or 885% as compared to the same period of previous year which incurred the total revenue from sales and services of Baht 666.46 million, mainly from the commercial electric vehicle business of Baht 5,737.25 million.
- Due to the year the company sales commercial electric vehicles of 1,080 Units, therefore, it directly affects the income from business operations of the group.

Cost of sales and services

- For the year ended December 31, 2022, cost of sales and services were Baht 6,166.99 million, increased by Baht 5,647.92 million, or 1,088%, as compared to the same period of last year which incurred the total cost of sales and services of Baht 519.07 million, in the same direction of revenue. Mainly from the commercial electric vehicle business in amount of Baht 5,491.51 million.

Gross profit

- For the year ended December 31, 2022, gross profit was Baht 396.78 million, increased by Baht 249.39 million, or 169%, as compared to the same period of previous year which incurred the gross profit of Baht 147.39 million, mainly from the commercial electric vehicle business in amount of Baht 245.74 million.

Other income

- For the year ended December 31, 2022, other income was Baht 52.85 million, increased by Baht 31.24 million, or 145%, as compared to the same period of previous year which incurred the gross profit of Baht 21.61 million. Mainly from the interest income from installment sales and interest income from associated company loans increased by Baht 13.76 million, income from collateral for loans to associated companies increased by Baht 8.31 million and gain for exchange rate increased by Baht 8.12 million.

Operating Results in Summary (Continued)

Selling and administrative expenses

- For the year ended December 31, 2022, selling and administrative expenses were Baht 276.09 million, decreased by Baht 4.36 million, as compared to the same period of previous year which incurred the total selling and administrative expenses of Baht 280.45 million.

Financial Costs

- For the year ended December 31, 2022, financial costs were Baht 14.90 million, increased by Baht 6.87 million, or 86%, mainly from the Interest expense from installment purchases of the commercial electric vehicle business increased by Baht 8.46 million, in the same interest income of other income.

Income tax

- For the year ended December 31, 2022, income taxes were Baht 47.54 million, increased by Baht 76.67 million, mainly from the commercial electric vehicle business increased, because the company recognize income tax in 2021 from loss carried forward 5 years by the company was used to calculate the company's tax in the year 2022.

Share of gain (loss) from an investment in an associate

- For the year ended December 31, 2022, share of gain from an investment in an associate was Baht 131.71 million, share of profit increased by Baht 136.41 million, as compared to the same period of last year which incurred the share of losses of associated companies of Baht 4.70 million.
- Due to the year 2022, the associated company sales and delivering products to customers as a result, there is an income from selling products and increasing profits. As a result, the company realized an increase in profit sharing from investments in associated companies

Profit (Loss) attributable to the parent company

- For the year ended December 31, 2022, the company had net profit attributable to the parent of Baht 208.37 million, increased by Baht 315.23 million, as compared to the same period of previous year, which incurred the net loss to the parent of Baht 106.86 million, according to increase from gross profit commercial electric vehicle business and increase from share of gain (loss) from an investment in an associate.

Operating results of Business Segments

1. Commercial Electric Vehicle Business

Commercial Electric Vehicle Business for the year ended December 31, 2022, has a gross profit from operations amounted to Baht 319.36 million, was increased of Baht 245.74 million from the same accounting period of the previous year or increased of 334%, mainly from the company sales commercial electric vehicles of 1,080 Units.

2. Computer and Software System Business.

Computer and Software System Business for the year ended December 31, 2022, had a gross profit from operations of Baht 122.46 million, increased from the same accounting period of the previous year by Baht 22.30 million or increased of 22% by the performance of this business at a constant level, from high competition but received positive results from the COVID situation where customers have to use a lot of computer systems and computer equipment.

3. Logistic Services Business.

Logistic Services Business for the year ended December 31, 2022, has a gross loss amounted to Baht 45.04 million, increased from the same accounting period of the previous year by Baht 18.65 million or increased of 71% because the company has fixed expenses such as car rental, employee expenses and the fuel which is the main cost of the company has been high cost but the income that comes in is not enough for the operation of the business.

Please be informed accordingly.

Yours faithfully,

(Mr. Khanist Srivajiraprabha)
Chief Executive Officer