



Management Discussion and Analysis

Explanation and Analysis of Financial Position and Operating Performance

Statement of Comprehensive Income

Unit : Thousand Baht

Statement of Comprehensive Income	Consolidated financial statements							
	For the years ended 31 December							
	Condoms and lubricating		Paper boxes		Total		Comparative information	
	2565	2564	2565	2564	2565	2564	เพิ่มขึ้น / ลดลง	%
Revenue from sales and services	1,855.8	1,484.0	128.5	169.8	1,984.3	1,653.8	330.5	20.0%
Cost of sales and services	(1,281.7)	(1,118.9)	(129.3)	(164.9)	(1,411.0)	(1,283.8)	(127.2)	-9.9%
Impairment of trademark	-	(387.5)	-	-	-	(387.5)	387.5	100.0%
Impairment of plant and equipment	-	-	-	-	-	(16.1)	16.1	100.0%
Depreciation charge in excess from plant and equipment recognised under fair value	-	-	-	-	(11.7)	(13.1)	1.4	10.7%
Segment results	574.1	(22.4)	(0.8)	4.9	561.6	(46.7)	608.3	1302.6%
Other income					6.4	5.5	0.9	16.4%
Selling expenses					(60.8)	(161.0)	100.2	62.2%
Administrative expenses					(179.9)	(140.3)	(39.6)	-28.2%
Expected credit losses					(13.7)	(280.6)	266.9	95.1%
Other gains (losses) (net)					(4.7)	60.7	(65.4)	-107.7%
Finance costs					(14.0)	(12.4)	(1.6)	-12.9%
Operating profit (loss)					294.9	(574.8)	869.7	151.3%
Income tax					(32.6)	110.0	(142.6)	-129.6%
Net profit (loss) for the year					262.3	(464.8)	727.1	156.4%

Overall, for the operating results of the Company Group in 2022, the Company Group had total income of 1,984.3 million baht (Year 2021: 1,653.8 million baht). increased by 330.5 million baht or 20% from the condom and lubricant gel business with sales and the exchange rate increased by 371.8 million baht, while the sales for the paper box business decreased by (41.3) million baht.

Gross profit of the company group in 2022: 561.6 millions baht or 28.3% (in 2021, gross loss: (46.7) millions baht or -2.8%) of sales. Increased as a result of the depreciation of the Thai baht against the US dollar The average exchange rate of Thai money against the US dollar in 2022 was 35.02 (2021: 31.68), depreciating by 10.53%. In 2021, there was a gross loss. A special item from the impairment of the Playboy trademark affected this.



Selling expenses in 2022: 60.8 million baht (Year 2021 : 161.0 million baht), decreased by 100.2 million baht as a result of no marketing and promotion fees for Playboy products.

Administrative expenses in 2022: 179.9 million baht (Year 2021: 140.3 million baht), increased by 39.6 million baht due to the company group. There was an increase in litigation expenses with Playboy by 34.2 million baht and other administrative expenses increased by 5.4 million baht.

Expected credit losses in 2022: 13.7 million baht (2021: 280.6 million baht) Allowance for expected credit losses on account receivables By calculating from the amount of trade receivables that are expected to be uncollectible. Most of them are denominated in the US dollar. Therefore, because of the depreciation of the Thai baht against the US dollar, the Group recorded a loss on crediting to trade accounts receivable that was expected. will happen as a result of adjusting the value of expected credit losses. Improving the US dollar currency to be Thai baht with the exchange rate of the Bank of Thailand at the end of the period.

Income tax in 2022 is shown as income tax expenses in the amount of 32.6 million baht, calculated from taxable profits and using the corporate income tax exemption privileges of the Company's investment promotion certificates at a rate of 10%. In 2021, the Group has Recording of deferred tax items from transactions resulting from extraordinary items that are not normal activities of the Group Playboy's right to terminate the contract resulted in income tax income of 110.0 million baht.

However, in 2022, the Group of Companies did not set up additional provisions for the impact of accounting.

- a) from exercising Playboy's right to terminate the contract;
- b) Allowance for impairment of buildings and machinery for the paper box business in 2022



Statement of financial position

Statement of Financial Position	Unit : Thousand Baht			
	Consolidated			
	As at 31 December		Comparative information	
	2565	2564	Increased / Decreased	%
Current assets	979.2	899.3	79.9	8.9%
Non-current assets	792.2	698.9	93.3	13.3%
<b>Total assets</b>	<b>1,771.4</b>	<b>1,598.2</b>	<b>173.2</b>	<b>10.8%</b>
Current liabilities	703.5	770.0	(66.5)	-8.6%
Non-current liabilities	133.6	107.8	25.8	23.9%
<b>Total liabilities</b>	<b>837.1</b>	<b>877.8</b>	<b>(40.7)</b>	<b>-4.6%</b>
Share capital Issued and fully paid-up share capital	300.0	300.0	-	0.0%
Share premium (net)	378.3	549.1	(170.8)	-31.1%
Retained earnings (deficits)				
- Appropriated - legal reserve	8.1	30.0	(21.9)	-73.0%
- Unappropriated	237.4	(157.5)	394.9	250.7%
Other components of equity (net)	10.5	(1.2)	11.7	975.0%
<b>Total equity</b>	<b>934.3</b>	<b>720.4</b>	<b>213.9</b>	<b>29.7%</b>
<b>Total liabilities and equity</b>	<b>1,771.4</b>	<b>1,598.2</b>	<b>173.2</b>	<b>10.8%</b>

Current assets in 2022 amounted to 979.2 million baht (2021: 899.3 million baht), increased by 79.9 million baht or 8.9% from:

1. Trade and other receivables (net) increased by 11.9 million baht due to the company have higher total sales
2. Cash and cash equivalents increased in the amount of 25.5 million baht due to cash inflow from operating activities higher than cash outflow from investing and financing activities.
3. Inventories (net) increased in the amount of 29.9 million baht due to the company group Prepare more main raw materials to prevent the risk of rising prices.



Non-current assets in 2022 amounted to 792.2 million baht (2021: 698.9 million baht), an increase of 93.3 million baht or 13.3% from:

1. Property, plant and equipment (net) increased by 65.8 million baht from investment in Machinery and equipment during the period in the amount of 154.2 million baht (mainly investment in machinery and equipment for new business in a subsidiary) offset with depreciation for the period in the amount of (87.6) million baht.
2. Right-of-use assets (net) increased by 18.4 million baht from the renewal of a long-term lease agreement. Head office and another factor

Current liabilities in 2022 amounted to 703.5 million baht (2021: 770.0 million baht), a decrease of (66.5) million baht or -8.6% from:

1. Short-term loans from banks increased in the amount of 42.5 million baht to be used as working capital for raw material procurement.
2. Trade and other payables decreased in the amount of (40.7) million baht due to payment for raw materials purchases. which is normal for business
3. Long-term loans from financial institutions decreased (68.0) million baht, long-term loans were paid (79.9) million baht and the company group There was a new long-term loan. to invest in the purchase of machinery for the subsidiary's new business There is a classification due within 1 year in the amount of 11.9 million baht.

Non-current liabilities in 2022 amounted to 133.6 million baht (2021: 107.8 million baht), an increase of 25.8 million baht or 23.9% from:

1. Liabilities under the lease (net) increased in the amount of 18.4 million baht from the renewal of the long-term lease. Head office and another factory
2. Long-term loans from financial institutions increased by 17.8 million baht with a new loan increase. To invest in the purchase of machinery for the subsidiary's new business in the amount of 29.7 million baht, with a classification due within 1 year (11.9) million baht.
3. Decreased employee benefit obligations (9.0) million baht due to the change in assumptions of rising interest rates. As a result, the calculation of the present value of the estimated contingent liabilities According to actuarial reports decreased



Owner's equity in 2022 amounted to 934.3 million baht (year 2021: 720.4 million baht), an increase of 213.9 million baht or 29.7% due to the company group had a net profit in 2022 in the amount of 262.3 million baht and paid interim dividends in the amount of 60 million baht.

Please be informed accordingly.

Yours faithfully,

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(Mr. Taweechai Hantawornchaikit)  
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The authorized person to disclose information  
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