

May 15, 2023

President Bakery Public Company Limited would like to submit the report of Management Discussion and Analysis (MD&A) for Operating Result in Q1/2023 ended on March 31, 2023 which has been reviewed by the auditor. The financial statement of the Company, as shown by equity method. The Company would like to clarify such significant changes as below,

### Performance of the Company

(Unit: million Baht)

	Q1/2023	%	Q1/2022	%	Increase (Decrease)	
					Amount	%
Sales	1,785.27	98.87	1,740.32	99.19	44.95	2.58
Total revenues	1,805.73	100	1,754.51	100	51.22	2.92
Cost of Sales	979.14	54.85	939.70	54.00	39.44	4.20
Gross Profit	806.13	45.15	800.62	46.00	5.51	0.69
Selling and Administrative expenses	399.96	22.15	400.03	22.80	(0.07)	(0.02)
Profit for the period	388.20	21.50	378.19	21.56	10.01	2.65
Profit for the period (Baht)	0.86		0.84		0.02	2.38

Remark: Percentage in Statement of comprehensive income derived from total revenues, while percentage of cost of sales and gross profit from sales

### 1. Operating Results

#### 1.1 Sales Revenue

The Company recorded total sales of Baht 1,785.27 million and Baht 1,740.32 million in Q1/2023 and Q1/2022 respectively, or increasing by 2.58%, as a result of the adjustment of product prices according to the increased cost of raw materials

#### 1.2 Cost of Sales

The cost of sales of the Company in Q1/2023 stood at Baht 979.14 million, or increasing by 4.20% from the same quarter of 2022, and the proportion of sales revenue to cost was 54.85 percent, higher than the previous year, which was 54.00 percent. This is due to the increased production costs as a result of the price of wheat flour which is the main raw material price increase. As a result, the gross profit margin of the Company stood at 45.15% decreasing from 46.00% in the same quarter last year.

### 1.3 Selling and Administrative Expenses

The selling and administrative expenses in Q1/2023 amounted to Baht 399.96 million, accounting for 22.15% of total revenues, decreasing by 0.02%, which was a slight decrease from the same quarter last year.

### 1.4 Profit for the period

The Company had the profit for the period of Baht 388.20 million for the three month period ended 31 March 2023, or increasing by 2.65% from the same period last year. Moreover, the Company has recognized the share of profit from investment in joint venture for the 1<sup>st</sup> quarter of year 2023 in the amount of Baht 1.58 million.

## Financial Position of the Company

(Unit: million Baht)

	March 31, 2023	%	December 31, 2022	%	Increase (Decrease)	
					Amount	%
Total Assets	12,519.73	100	12,200.98	100	318.75	2.61
Total Liabilities	1,211.97	9.68	1,267.00	10.38	(55.03)	(4.34)
Shareholders' Equity	11,307.76	90.32	10,933.98	89.62	373.78	3.42
Total Liabilities and Shareholders' Equity	12,519.73	100	12,200.98	100	318.75	2.61

## 2. Financial Position

### 2.1 Assets

The total assets of the Company as of March 31, 2023 amounted to Baht 12,519.73 million, increasing by Baht 318.75 million from December 31, 2022. Main asset of the Company comprised of current assets by 52.86% of total assets and non-current assets by 47.14% of total assets. The increase in current assets resulted from increasing cash and cash equivalents by Baht 193.19 million, as a result of operating results.

The trade and other receivables of the Company accounted for 5.22% of total assets, decreasing by Baht 349.29 million from December 31, 2022, due to receiving payment from major customers.

### 2.2 Liabilities

The liabilities of the Company as of March 31, 2023 totaled to Baht 1,211.97 million, accounting for 9.68% of total Liabilities and Shareholders' Equity and decreasing by 4.34%, which was compared to as of December 31, 2022. As a result, the debt to equity ratio of the Company was at 0.11 times decrease from 0.12 times as of December 31, 2022.

### 2.3 Shareholders' Equity

The Shareholders' Equity of the Company as of March 31, 2023 amounted to Baht 11,307.76 million, accounting for 90.32% of Liabilities and Shareholders' Equity and increasing by Baht 373.78 million from December 31, 2022, resulting from the operating profits. As a result, the book value of the Company stood at 25.13 Baht per share, increasing from 24.30 Baht per share in 2022.

### 3. Liquidity Position

The net cash from operating activities of the Company in Q1/2023 ended on March 31, 2023 amounted to Baht 748.46 million, increasing by Baht 59.17 million or by 8.60%.

Net cash used in investing activities totaled to Baht 551.53 million Cash received from sales of other current financial assets decreased by Baht 203.20 million from the same quarter last year and a vehicle was purchased for use in delivering goods in the amount of Baht 46.70 million.

The net cash used in financing activities totaled to Baht 3.74 million, increasing by Baht 1.34 million, due to payment of principal portion of lease liabilities.

As a result, the Company recorded cash and cash equivalents of Baht 842.13 million as of March 31, 2023, increasing by Baht 193.19 million.

As of March 31, 2023, the Company maintained the current ratio at 6.06 times, and the average days sales at 1 day. Meanwhile, the average days of debt collection of the Company stood at 40 days, and the average days of debt repayment was at 74 days. As a result, the cash cycle of the Company was at 33 days.

This is to be informed for your acknowledgement

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(Miss Petcharat Anantawichai)

Director and Senior Management Accounting Department  
and Finance Department Manager  
Company Secretary