

May 10, 2023

Subject : Management Discussion and Analysis for quarter ended March 31, 2023

Attention : President

The Stock Exchange of Thailand

Operating Performance

1. Revenues

Consolidated financial statements		(Thousands Baht)		
	1 st Quarter		Change	
	2023	2022	Amount	%
Revenue from sales	734,383	1,047,191	-312,808	-29.87%
Other income	5,444	11,796	-6,352	-53.85%
Total Revenue	739,827	1,058,987	-319,160	-30.14%

Company total revenue on 1st quarter of year 2023 significantly decreased 30.14 percent from the same period of last year. Sale revenue in the first quarter of 2023 decreased 29.87 percent from the same period of last year, main attributions are higher in sale volume under FOB terms and drop in freight price. In addition, the selling price of goods decreased and sale volume slightly decreased. Other income on 1st quarter of year 2023 significantly decreased 53.85 percent from the same period of last year, mainly due to decrease in foreign exchange gains compared to the same period last year.

2. Cost of goods sold and expenses

Consolidated financial statements		(Thousands Baht)		
	1 st Quarter		Change	
	2023	2022	Amount	%
Cost of goods sold	-558,976	-566,825	7,849	-1.38%
Selling expenses	-96,458	-202,866	106,408	-52.45%
Administrative expenses	-28,731	-37,973	9,242	-24.34%
Finance Costs	-968	-1,248	280	-22.44%
Total	-685,133	-808,912	123,779	-15.30%

Cost of goods sold on 1st quarter of 2023 slightly decreased 1.38 percent from the same period of last year, mainly due to slightly decrease in sale volume and drop in glue price. Although wood price increased and price of electricity was much higher compare to the same period last year.

Selling expenses on 1st quarter of 2023 significantly decreased 52.45 percent from the same period of last year, due to a significant increase in sales volume under FOB terms. In addition, freight price was considerably lower than the same period of last year.

Administrative expenses on 1st quarter of 2023 decreased 24.34 percent from the same period of last year, due to decrease in estimated employee compensation. As a result, administrative expenses decreased moderately compared to the same period last year.

Financial cost on 1st quarter of 2023 decreased 22.44 percent from the same period of last year, mainly due to long-term loans repayment.

As a result, cost of goods sold and expenses on 1st quarter of 2023 decreased 15.30 percent from the same period of last year.

3. Profit

Consolidated financial statements		(Thousands Baht)		
	1 st Quarter		Change	
	2023	2022	Amount	%
Gross profit	175,407	480,366	-304,959	-63.48%
Profit before income tax	54,694	250,075	-195,381	-78.13%
Net profit for period	50,995	224,498	-173,503	-77.28%

From revenues, cost of goods sold and expenses factors, company profit before income tax of 1st quarter 2023 was 54.69 million baht decreased 78.13 percent and net profit of 1st quarter ended March 31, 2023 was 51 million baht decreased 77.28 percent from the same period of last year.

Sincerely Yours,

(Ms.Orawan Sangwongkit)

Chief Financial Officer