

Ref. SF033/2023

11 MAY 2023

 Re Management Discussion and Analysis which are deviated more than 20% for 1st Quarter 2023

Attn. The President

The Stock Exchange of Thailand (SET)

Starflex Public Company Limited would like to notify the operating results stated in financial statements which are deviated more than 20% for 1st Quarter 2023. The details will be shown as follows.

Operational reports

Unit: Million Baht

Gain/Loss	CONSOLIDATED		CHANGE (YOY)	
	1Q23	1Q22	AMT	%
Total Revenues	477.5	428.2	49.3	11.5%
Gross profit (GP)	102.5	61.5	41.0	66.7%
Selling Expenses	11.6	9.3	2.3	24.7%
Admin Expenses	39.4	34.6	4.8	13.9%
Financial costs	1.0	1.4	(0.4)	(28.6%)
Taxes	9.8	2.8	7.0	250.0%
Total Cost and Exp.	436.8	414.8	22.0	5.3%
Net Profits (NP)	40.7	13.4	27.3	203.7%

In Q1/2023, total revenues were 477.5 million, increased by 11.5% compared to total revenues 428.2 million in Q1/2022. And company's gross profits were 102.5 million increased by 66.7% from 61.5 million in Q1/2022. As such, the net profit were 40.7 million (=NP margin 8.5%) and 13.4 million (=NP margin 3.1%) in Q1/2023 and Q1/2022 consecutively. There were main reasons caused gross profits and net profits increasing; the decline of raw material costs. However, these problems had been handle by purchasing and stocking raw materials more in advance, and by adjusting selling price with all customers.

In Q1/2023, selling expenses were 11.6 million increased by 24.7% compared to 9.3 million in Q1/2022. The mainly increased in selling expenses were the transportation expenses. And administrative expenses In Q1/2023, were 39.4 million, increased by 13.9% compared to the same expenses 34.6 million in Q1/2022. The main reason of increasing in the administrative expenses was the consulting fees referred to the investment project in Vietnam.

In Q1/2023, financial expenses were 1.0 million, decreased 28.6% compared to 1.4 million in Q1/2022. Due to the company has recently managed its working capitals more effectively.

Statement of Financial Position

Unit: Million Baht

At the date	CONSOLIDATED		CHANGE (YOY)	
	31-Mar-23	31-Dec-22	AMT	%
Total assets	1,631.4	1,601.9	29.5	1.8%
Total liabilities	691.3	616.5	74.8	12.1%
Total shareholder's equity	940.1	985.4	(45.3)	(4.6%)

Assets

In Q1/2023, the company had total assets of 1,631.4 million, increased 1.8% from 1,601.9 million in 2022, where the increasing assets mainly comprised of increasing in Property Plant and Equipment 23.1 million All these increasing incurred from construction of new plant and investment new machines, in which, were prepared for the company's future business.

Liabilities

In Q1/2023, the company had total liabilities of 691.3 million, increased 12.1% from 616.5 million in 2022. The increasing of liabilities Q1/2023, mainly due to the company had engaged more 18.0 million long term loan to spend mainly in construction of a new plant

Equities

In Q1/2023, the company had the equities of 940.1 million, decreased 4.6% from 985.4 million from year ended 2022 in the amount of 45.3 million from the provision for the share repurchase project.

Yours Sincerely,

Somchai Wongrassamee

Chief Financial Officer

Starflex Public Company Limited