

Management Discussion and Analysis

For Quarter 1 Ending March 31st, 2023The Company's Performance

Performance	Q1/23	Q1/22	Change +/-	Q4/22	Change +/-
Unit: Million Baht			%YoY		%QoQ
Revenue from sales	241.0	384.9	(37.4%)	232.9	3.5%
Cost of Sales	196.2	274.6	(28.6%)	174.5	12.4%
Gross Profit	44.8	110.3	(59.4%)	58.4	(23.3%)
Gross Profit Margin	18.6%	28.7%	(10.1%)	25.1%	(6.5%)
Other income	3.6	5.3	(32.1%)	8.8	(59.1%)
Total revenues	244.6	390.2	(37.3%)	241.7	1.2%
Distribution costs	16.8	34.9	(51.9%)	15.1	11.3%
Administrative expenses	21.5	21.9	(1.8%)	14.3	50.3%
Profit from operation	10.1	58.8	(82.8%)	37.8	(73.3%)
Financial cost	-	0.5	(100.0%)	-	0.0%
Income tax expenses	1.9	11.5	(83.5%)	7.3	(74.0%)
Net Profit	8.2	46.8	(82.5%)	30.5	(73.1%)
Net Profit Margin	3.4%	12.0%	(8.6%)	12.6%	(9.3%)
EBITDA	23.6	69.6	(66.1%)	52.1	(54.7%)
EBITDA Margin	9.6%	17.8%	(8.2%)	21.6%	(12.0%)

Total Revenues

The Company has total revenues in the first quarter of 2023 of 244.6 million baht which was, upon comparison with that of the same period of the previous year, decreased by 145.6 million baht or 37.3% due to The winter situation in America is longer than usual. In addition, the plan to expand branches in the main distribution channels is still under negotiation, causing the distribution plan to be postponed. Causing customers in America to delay imports, thus making sales plans not meet the expected target. In addition, customers in China also faced the problem of the outbreak of COVID-19 After opening the country and relaxing measures But still unable to drain the product and return to normal However, the Company's sales revenue increased by 8.1 million Baht or 3.5% upon comparison with that of the previous quarter.

Cost of Sales

The cost of sales for the Company in the first quarter of 2023 was 196.2 million baht which decreased from that of the same period of the previous year by 78.4 million baht or 28.6%. Compared to the same period last year decrease in value due to reduced sales of goods which when the production is reduced, therefore, the cost of sales ratio increases from the production that is not fully enough to support the fixed costs in production that the company prepares to support during the production period High Season (Quarter 2 and Quarter 3 of every year), both in terms of increasing investment in machinery, manpower preparation, etc. There are also factors caused by increasing energy prices such as FT Increasing, although the company uses electricity from solar energy from the factory roof to reduce normal electricity usage, but still cannot reduce the overall electricity bill compared to the price FT The management is aware of such problems and determines a solution. To control the production plan in accordance with the manpower used in production. in order to control production costs and sales costs target performance predetermined.

Gross Profit

The Company earned the gross profit in the first quarter of 2023 of 44.8 million baht decreased by 65.5 million baht or 59.4% upon comparison with that of the same period of the previous year. This gross profit decrease resulted from the increased sales costs and decreased sales revenue.

Distribution Expense

The Company's sales and distribution expense in the first quarter of 2023 was 16.8 million baht which decreased by 18.1 million baht or 51.9% upon comparison with that of the same period in the previous year according to the decreased sales ratio. This resulted in the accordingly decreased shipping fee and freight. Nevertheless, the Company spent the sales costs from this year's marketing plan to promote domestic sales including domestic and international exhibition booths to perform marketing for more customers' awareness of PLUS's products and seeking new customers as per the strategy.

Administrative Expense

The Company spent the administrative expense in the first quarter of 2023 of 21.5 million baht which decreased by 0.4 million baht or 1.8% upon comparison with that of the same period in the previous year. This is a fixed cost in terms of staff wages and utility expenses.

Net Profit

The Company earned a net profit in the first quarter of 2023 of 8.2 million baht or 3.4% which decreased by 38.6 million baht or 82.5% upon comparison with that of the same period in the previous year due to decreased sales revenue but the Company remained to bear the fixed sales cost and sales and administrative costs, therefore, the net profit ratio decreased.

The Company's Statement of Financial Position

(Unit : Million Baht)	31 March 2023	31 December 2022	% Change
Total current asset	903.4	821.4	10.0%
Total non-current asset	643.3	630.8	2.0%
Total Asset	1,546.7	1,452.2	6.5%
Total current liability	268.7	186.7	43.9%
Total non-current liability	16.2	11.9	36.1%
Total Liability	284.9	198.6	43.5%
Capital	1,008.7	1,008.7	0.0%
Accumulated profit	253.1	244.9	3.3%
Total shareholders' equity	1,261.8	1,253.6	0.7%

Assets

As of March 31st, 2023, the Company had the total asset of 1,546.7 million baht increased by 6.5% from that of the end of the year 2022, current assets of 903.4 million baht increased by 10.0% from the cash and cash equivalents, trade receivables, and inventory to support the sales of the next quarter, non-current assets of 643.3 million baht increased by 2.0% from purchases of lands, buildings, and equipment to expand the production lines including the security deposit of machinery pending for delivery as per the stipulated installation plan.

Liabilities

As of March 31st, 2023, the Company had a total liability of 284.9 million baht increased from that of the end of the year 2022 by 43.5%, current liabilities of 268.7 million baht increased by 43.9% from trade payables due to procurements of production raw materials, advance payment of product prices pending for delivery as scheduled, and accrued corporate income tax from the Company's performance, non-current liabilities of 16.2 million baht

which increased by 36.1% due to the liabilities under long-term financial and asset lease agreements and estimation of the future employees' benefit.

Shareholders' Equity

As of March 31st, 2023, the Company had a total shareholders' equity of 1,261.8 million baht which increased by 0.7% from the performance of quarter 1 of 8.2 million baht.

Key Financial Ratios

Financial Ratios	Quarter 1	
	2023	2022
Gross profit margin (%)	18.58	28.67
Net profit ratio (%)	3.36	11.99
Profit per share (baht)	0.01	0.09
Return on Assets (%)	11.27	14.69
Return on Equity (%)	13.44	32.83
Liquidity ratio (times)	3.36	0.79
Debt to equity ratio (times)	0.23	1.47
Book value per share (baht)	1.88	0.70

Liquidity and Capital Resources

Cash Flow Statement (Million Baht)	Q1/2023	Q1/2022	% Change
Cash flows from operating activities			
Net cash flow from operating activities	65.6	127.5	(48.5%)
Cash flows from investing activities			
Net cash from (used in) investing activities	(20.2)	(17.5)	15.4%
Cash flows from financing activities			
Net cash from (used in) financing activities	(0.4)	(54.3)	(99.3%)
Cash and cash equivalents net increase	45.0	55.7	(19.2%)
Cash and cash equivalents at beginning of period	578.2	37.9	1,425.6%
Cash and cash equivalents at end of period	623.2	93.6	565.8%

As of March 31st, 2023, the Company had the balance of cash and cash equivalent of 623.2 million baht which the net cash flow of 65.6 million baht was obtained from the operational activities. The net cash flow spent on investment activity was 20.2 million Baht and 20.8 million Baht was spent on machinery, equipment, and software. The Company earned the cash from lands, buildings, and equipment sales of 0.6 million Baht with net cash flow from financing activities of 0.4 million Baht which the cash was spent to settle the debt under financial agreements and interests.