

No. FTI-SET-2566/001

May 09, 2023

Re: Management Discussion and Analysis for the Q1/2023

To: The President
 The Stock Exchange of Thailand

Function International Public Company Limited (the Company) would like to clarify the operating results for the third quarter ended March 31, 2023 which was reviewed by a certified public accountant (CPA) as follows:

The operating results for the First quarter of 2023, the Company has total revenue Baht 185.19 million, increased by Baht 7.14 million or 4 percent and the profit for the period Baht 10.96 million, decreased Baht 2.77 million or 20 percent, mainly are from as follows:

Operating Results	YE 2023		YE 2022		Movement	
	Amount	%	Amount	%	Amount	%
Revenues from sales and services	185.19	100.00%	178.05	100.00%	7.14	4%
Cost of sales and services	134.79	72.78%	125.69	70.59%	9.10	7%
Gross profit	50.40	27.22%	52.36	29.41%	(1.96)	-4%
Other revenues	1.31	0.71%	1.63	0.92%	(0.32)	-20%
Distribution cost	16.99	9.17%	16.69	9.37%	0.30	2%
Administrative expenses	20.45	11.04%	19.52	10.96%	0.93	5%
Financial cost - Interest	0.55	0.30%	0.65	0.37%	(0.10)	-15%
Profit before income tax expenses	13.72	7.41%	17.13	9.62%	(3.41)	-20%
Income tax expenses	2.76	1.49%	3.40	1.91%	(0.64)	-19%
Profit for the Period	10.96	5.92%	13.73	7.71%	(2.77)	-20%

Revenues from sales and services

In the 1Q/2023, the Company has revenues from sales and services Baht 185.19 million, increased from the same period of the previous year Baht 7.14 million or 4 percent from the Expand existing dealer channels nationwide to cover growing customer base

Cost of sales and services

In the 1Q/2023, the Company has cost of sales and services Baht 134.79 million, increased from the same period of the previous year Baht 9.10 million, in line with the increase in revenues.

Gross Profit

In the 1Q/2023, the Company has gross profit Baht 50.40 million, decreased from the same period of the previous year Baht 1.96 million, the cost of goods increased due to exchange rate fluctuations.

Distribution cost

In the 1Q/2023, the Company has distribution cost Baht 16.99 million increased from the same period of the previous year Baht 0.30 million or 2 percent because of the amortization of Water Store decoration due in 2023.

Administrative expenses

In the 1Q/2023, the Company has administrative expenses Baht 20.45 million increased from the same period of the previous year Baht 0.93 million or 1.04 percent because of the employee expense.

Profit

In the 1Q/2023, The Company has profit for the period at Baht 10.96 million decreased Baht 2.77 million or 20 percent.

Financial position

Total assets

As at March 31, 2023, the Company has total assets Baht 914.18 million, increased Baht 43.21 million or 51.02 percent from the end of pervious year at percent, mainly from the increased Cash and cash equivalents Baht 23.50 million, increased Trade and other current receivables Baht 17.76 million and increased the property, plant and equipment. Baht 2.60 million.

Total liabilities

As at March 31, 2023, the Company has total liabilities Baht 193.57 million, increased from the end of previous year at Baht 32.25 million or 19.99 percent, mainly from increased Trade and other current payables for goods.

Shareholder's equity

As at March 31, 2023, the Company has shareholder's equity Baht 720.61 million, increased from the end of previous year at Baht 10.96 Million or 1.55 percent, mainly from the profit from operation

Please be informed accordingly.

Yours sincerely,

(Mr. Kawewat Siriwongmongkol)

Chief Financial Officer