

Ref.: EFORL IR017/2023

August 10, 2023

**Subject:** Management Discussion and Analysis Quarter 2 Ending 30 June 2023

**To** President  
The Stock Exchange of Thailand

1. Overview financial performance of E for L Aim Public Company Limited (“EFORL” or “the Company”) and its subsidiaries (collectively as “the Companies”) for Q2/2023

Financial performances Comparison is as follows:

THB'000	Q2/2023	Q2/2022	Δ%	Q1/2023	Δ%
Revenues from Sales and Services	363,412	391,949	-7%	287,030	27%
Other income	1,782	3,342	-47%	1,189	50%
<b>Total Revenues</b>	<b>365,194</b>	<b>395,291</b>	<b>-8%</b>	<b>288,219</b>	<b>27%</b>
Profit / (Loss) before interest and taxation	22,413	17,014	32%	(14,026)	-260%
Margin	6%	4%		-5%	
Profit / (Loss) for the period	14,263	9,462	51%	(20,780)	-169%
Margin	4%	2%		-7%	
Portion of the Companies' shareholders	14,263	9,462	51%	(20,780)	-169%
Margin	4%	2%		-7%	

#### Financial performance in Q2/2023

Total revenues consist of revenue from sale and services medical devices and other income which derives from interest income from hire-purchase on medical devices.

The total revenue in Q2/23 amounted to Baht 365 million, which decreased by approximately 8% compared to the same period last year (Q2/22). However, it increased by about 27% compared to the previous quarter (Q1/23).

*"Excellence for Life"*

## 2. Key Highlights for performance for the second quarter 2023 and 2022

THB'000	Q2/2023	Q2/2022	Δ%	H1/2023	H1/2022	Δ%
Revenues from sales and services	363,412	391,949	-7%	650,442	733,370	-11%
Costs of sales and services	(235,071)	(270,220)	-13%	(428,551)	(491,565)	-13%
<b>Gross profit</b>	<b>128,341</b>	<b>121,729</b>	<b>5%</b>	<b>221,891</b>	<b>241,805</b>	<b>-8%</b>
Other income	1,782	3,342	-47%	2,971	6,972	-57%
Selling expenses	(69,903)	(66,534)	5%	(135,970)	(131,355)	4%
Administrative expenses	(35,860)	(38,760)	-7%	(76,328)	(70,534)	8%
Loss on impairment of trade accounts receivable and other receivables	(1,947)	(2,763)	-30%	(4,177)	(6,184)	-32%
<b>Profit before finance costs and income tax</b>	<b>22,413</b>	<b>17,014</b>	<b>32%</b>	<b>8,387</b>	<b>40,704</b>	<b>-79%</b>
Finance costs	(7,811)	(7,590)	3%	(14,695)	(15,596)	-6%
<b>Profit before income tax</b>	<b>14,602</b>	<b>9,424</b>	<b>55%</b>	<b>(6,308)</b>	<b>25,108</b>	<b>-125%</b>
Income tax income (expense)	(339)	38	-992%	(209)	(381)	-45%
<b>Profit for the period</b>	<b>14,263</b>	<b>9,462</b>	<b>51%</b>	<b>(6,517)</b>	<b>24,727</b>	<b>-126%</b>
<b>Profit (loss) for the period attributable to</b>						
Equity holder of the Company	14,263	9,462	51%	(6,517)	24,727	-126%
Non-controlling interests	-	-		-	-	
<b>Key Financial Ratios</b>						
Gross profit margin	35.3%	31.1%	4.3%	34.1%	33.0%	1.1%
SG&A as % to sales	29.1%	26.9%	2.2%	32.6%	27.5%	5.1%
Net profit margin	3.9%	2.4%	1.5%	-1.0%	3.4%	-4.4%
Net profit margin (Portion of the Company's shareholders)	3.9%	2.4%	1.5%	-1.0%	3.4%	-4.4%

### Revenues from sales and services

In Q2/2023, revenue from sales and services was Baht 363 million, which decreased by 7% compared to the same period last year. This was mainly due to a shortage of key raw materials related to the Incubator, resulting in the suppliers being unable to deliver the product to the Company.

However, it increased by about 27% compared to the previous quarter (Q1/23).

### Gross margin

The gross profit in Q2/2023 was Baht 128 million, which increased by 5% compared to the same period last year, and the gross profit margin ratio in Q2/2023 was 35%, which increased by 4% compared to the same period last year.



### **Selling and Administrative Expenses**

Selling and administrative expenses in Q2/2023 amounted to Baht 106 million, consisting of selling expenses of Baht 70 million and administrative expenses of Baht 36 million. These expenses increased by 0.4% compared to the same period last year.

### **Financial costs**

In Q2/2023, financial costs amounted to Baht 7.8 million, increasing by 3% compared to the same period last year.

### **Net income/ Loss**

The consolidated financial statements for Q2/2023 reported a net profit of Baht 14 million, which increased by 51% compared to the same period at the previous year. The net profit margin ratio was 3.9.

Please be informed accordingly.

Yours sincerely,

*Preecha Nuntnarumit*

(Mr. Preecha Nuntnarumit)

Chief Executive Officer