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15 AUGUST 2023

 Re Management Discussion and Analysis which are deviated more than 20% for 2nd 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 2nd Quarter 2023. The details will be shown as follows.

Operational reports

Unit: Million Baht

P&L statement	CONSOLIDATED		CHANGE (YOY)	
	Q2/23	Q2/22	AMT	%
Total Revenues	468.3	412.0	56.4	13.7%
Gross profit (GP)	121.0	50.6	70.5	139.4%
Selling Expenses	11.3	9.6	1.7	18.1%
Admin Expenses	45.3	37.6	7.8	20.6%
Financial costs	1.3	1.4	(0.1)	(7.1%)
Taxes	12.6	(1.5)	14.1	n.a.
Total Cost and Exp.	417.9	408.5	9.4	2.3%
Net Profits (NP)	50.4	3.5	47.0	1356.0%

In Q2/2023, total revenues were 468.3 million, increased by 13.7% compared to 412.0 million in Q2/2022. Also, in Q2/2023 company's gross profits were 121.0 million increased by 139.4% from 50.6 million in Q2/2022. As such, the net profit in Q2/2023 were 50.4 million (equal to 10.8% NP margin) and 3.5 million (equal to 0.8% NP margin) in Q2/2022. Nowadays, the company has managed the production cost effectively; in both, efficiency in raw materials and supplies sourcing, as well as efficiency in the production lines.

In Q2/2023, selling expenses were 11.3 million increased by 18.1% compared to 9.6 million in Q2/2022. The mainly increased in selling expenses were the transportation expenses. And administrative expenses In Q2/2023, were 45.3 million, increased by 20.6% compared to the same expenses 37.6 million in Q2/2022. The main reason of increasing in the administrative expenses was the consulting fees referred to the investment project in Vietnam.

In Q2/2023, financial expenses were 1.3 million, decreased 7.1% compared to 1.4 million in Q2/2022. Due to the company has recently managed its working capitals more effectively.

Statement of Financial Position

Unit: Million Baht

End of	CONSOLIDATED		CHANGE (YOY)	
	30-Jun-23	31-Dec-22	AMT	%
Total assets	1,635.2	1,601.9	33.3	2.1%
Total liabilities	683.1	616.5	66.6	10.8%
Total shareholders' equities	952.1	985.4	(33.3)	(3.4%)

Assets

In Q2/2023, the company had total assets of 1,635.2 million, increased 2.1% from 1,601.9 million in 2022, where the increasing assets mainly comprised of increasing in Trade and other receivables 35.1 million, Property Plant and Equipment 21.5 million. All these increasing incurred from construction of new plant and investment new machines, in which, were prepared for the company's future businesses.

Liabilities

In Q2/2023, the company had total liabilities of 683.1 million, increased 10.8% from 616.5 million in 2022. The liabilities Q2/2023 mainly increased from account payable related to high volume of Raw materials purchased and Income tax payable.

Equities

In Q2/2023, the company had the equities of 952.1 million, decreased 3.4% from 985.4 million from year ended 2022 in the amount of 33.3 million. Due to the company had to reserve 100.06 million for the treasury stock project lately.

Yours Sincerely,

Somchai Wongrassamee

Chief Financial Officer

Starflex Public Company Limited