

No. FTI-SET-2566/013

Aug 15, 2023

Re: Management Discussion and Analysis for the Q2/2023

To: The President
 The Stock Exchange of Thailand

Function International Public Company Limited (the Company) would like to clarify the operating results for the second quarter ended June 30, 2023 which was reviewed by a certified public accountant (CPA) as follows:

The operating results for the Second quarter of 2023, the Company has total revenue Baht 399.94 million, increased by Baht 42.13 million or 12 percent and the profit for the period Baht 30.22 million, increased Baht 9.18 million or 44 percent, mainly are from as follows:

Operating Results	YE 2023		YE 2022		Movement	
	Amount	%	Amount	%	Amount	%
Revenues from sales and services	399.94	100.00%	357.81	100.00%	42.13	12%
Cost of sales and services	290.15	72.55%	255.07	71.29%	35.08	14%
Gross profit	109.79	27.45%	102.74	28.71%	7.05	7%
Other revenues	7.04	1.76%	0.96	0.27%	6.08	633%
Distribution cost	36.43	9.11%	34.35	9.60%	2.08	6%
Administrative expenses	41.27	10.32%	44.93	12.56%	(3.66)	-8%
Financial cost - Interest	1.37	0.34%	1.32	0.37%	0.05	4%
Profit before income tax expenses	37.76	9.44%	23.10	6.46%	14.66	63%
Income tax expenses	7.54	1.89%	2.06	0.58%	5.48	266%
Profit for the Period	30.22	7.56%	21.04	5.88%	9.18	44%

Revenues from sales and services

In the 2Q/2023, the Company has revenues from sales and services Baht 399.94 million, increased from the same period of the previous year Baht 42.13 million or 12 percent from the Economic Expansion and Expand existing dealer channels nationwide to cover growing customer base

Cost of sales and services

In the 2Q/2023, the Company has cost of sales and services Baht 290.15 million, increased from the same period of the previous year Baht 35.08 million, in line with the increase in revenues.

Gross Profit

In the 2Q/2023, the Company has gross profit Baht 109.79 million, increased from the same period of the previous year Baht 7.05 million, the cost of goods increased due to exchange rate fluctuations.

Distribution cost

In the 2Q/2023, the Company has distribution cost Baht 36.43 million increased from the same period of the previous year Baht 2.08 million or 6 percent because of the increase was mainly from travel expenses to meet customers and commissions.

Administrative expenses

In the 2Q/2023, the Company has administrative expenses Baht 41.27 million decreased from the same period of the previous year Baht 3.66 million or 8 percent because of the employee expense.

Profit

In the 2Q/2023, The Company has profit for the period at Baht 30.22 million increased Baht 9.18 million or 44 percent.

Financial position

Total assets

As at June 30, 2023, the Company has total assets Baht 946.21 million, increased Baht 75.24 million or 8.64 percent from the end of pervious year at percent, mainly from the increased , Trade and other current receivables Baht 26 million, Inventories increased Baht 34 million , increased the property, plant and equipment. Baht 12.5 million. And Other current assets increased Baht 4.4 million

Total liabilities

As at June 30, 2023, the Company has total liabilities Baht 233.33 million, increased from the end of previous year at Baht 72 million or 44.64 percent, mainly from increased Trade and other current payables for goods.

Shareholder's equity

As at June 30, 2023, the Company has shareholder's equity Baht 712.88 million, increased from the end of previous year at Baht 3.23 Million or 0.46 percent, mainly from the profit from operation and decreased from dividend payment

Please be informed accordingly.

Yours sincerely,

(Mr. Kaweewat Siriwongmongkol)

Chief Financial Officer