

Ref.: EFORL IR021/2023

November 10, 2023

Subject: Management Discussion and Analysis in the third quarter ending 30 September 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 Q3/2023

Financial performances Comparison is as follows:

(Unit: Thousand Baht)

Consolidate F/S	Q3/2023	Q3/2022	Δ%	Q2/2023	Δ%	Q1/2023	Δ%
Revenues from sales of medical equipment and services	339,522	369,145	-8%	363,412	-7%	287,030	18%
Other income	1,418	2,528	-44%	1,782	-20%	1,189	19%
Total revenues	340,940	371,673	-8%	365,194	-7%	288,219	18%
Gross profit	119,554	123,528	-3%	128,341	-7%	93,550	28%
Margin	35%	33%		35%		32%	
Profit before finance costs and income tax	20,598	16,740	23%	22,413	-8%	(14,026)	247%
Margin	6%	5%		6%		-5%	
Profit before income tax	12,751	9,852	29%	14,602	-13%	(20,910)	161%
Margin	4%	3%		4%		-7%	
Profit for the period	13,191	10,337	28%	14,263	-8%	(20,780)	163%
Margin	4%	3%		4%		-7%	
Profit for the period attributable to equity holder of the company	13,191	10,337	28%	14,263	-8%	(20,780)	163%
Margin	4%	3%		4%		-7%	

"Excellence for Life"

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Financial performance in Q3/2023

Total revenues consist of revenue from sale and services medical devices and other income.

The total revenue in Q3/23 amounted to Baht 341 million, which decreased by approximately 8% compared to the same period last year (Q3/22) and decreased by 7% compared to Q2/23.

2. Key Highlights for performance for the third quarter 2023 and 2022

(Unit: Thousand Baht)

Consolidate F/S	Three Months			Nine Months		
	Q3/2023	Q3/2022	Δ%	2023	2022	Δ%
Revenues from sales and services	339,522	369,145	-8%	989,964	1,102,515	-10%
Costs of sales and services	(219,968)	(245,617)	-10%	(648,519)	(737,182)	-12%
Gross margin	119,554	123,528	-3%	341,445	365,333	-7%
Other income	1,418	2,528	-44%	1,268	9,500	-87%
Selling expenses	(68,999)	(67,900)	2%	(204,969)	(199,255)	3%
Administrative expenses	(29,707)	(39,095)	-24%	(102,914)	(109,629)	-6%
Loss on impairment of trade accounts receivable and other receivables	(1,668)	(2,321)	-28%	(5,845)	(8,505)	-31%
Profit before finance costs and income tax	20,598	16,740	23%	28,985	57,444	-50%
Finance costs	(7,847)	(6,888)	14%	(22,542)	(22,484)	0%
Profit before income tax	12,751	9,852	29%	6,443	34,960	-82%
Income tax benefit (expense)	440	485	-9%	231	104	122%
Profit for the period	13,191	10,337	28%	6,674	35,064	-81%
Profit for the period attributable to						
Equity holder of the Company	13,191	10,337	28%	6,674	35,064	-81%
Non-controlling interests	-	-		-	-	
Key Financial Ratios						
Gross profit margin	35.2%	33.5%	1.7%	34.5%	33.1%	1.4%
SG&A as % to sales	29.1%	29.0%	0.1%	31.1%	28.0%	3.1%
Net profit margin	3.9%	2.8%	1.1%	0.7%	3.2%	-2.5%
Net profit margin (Portion of the Company's shareholders)	3.9%	2.8%	1.1%	0.7%	3.2%	-2.5%

Revenues from sales and services

Revenues from sales and services of the group of the Company in Q3/2023 were THB 340 million decreased by 8% comparing to same period at the previous year. This was mainly due to the delayed formation of the government has repercussions, leading to the postponement of the approval of the annual government statement of expenditure.

Gross margin

Gross margin in Q3/2023 was THB 120 million decreased by 3% comparing to the same period at the previous year. Gross profit margin ratio in Q3/2023 was 35.2%, increased by 1.7% comparing to the same period at the previous year.

Selling and Administrative Expenses

Selling and Administrative expenses in Q3/2023 were THB 99 million consisting of selling expenses (THB 69 million) and administration expenses (THB 30 million). Selling expenses and administrative expenses in Q3/2023 decreased by 8% comparing to the same period at the previous year. SG&A as percentage to total revenues in Q3/2023 of 29.1% increased by 0.1% comparing to the same period at the previous year.

Financial costs

Financial costs in Q3/2023 were THB 7.8 million increased by 14% compared to the same period at the previous year.

Net income

In Q3/2023, the net profit of EFORL and its subsidiaries was THB 13 million or increased by 28% comparing to the same period at the previous year. Net profit margin ratio was 3.9.

Please be informed accordingly.

Yours sincerely,

Preecha Nuntnarumit

(Mr. Preecha Nuntnarumit)

Chief Executive Officer