

November 13, 2023

Subject : Management Discussion and Analysis for Nine-month and 3rd quarter ended September 30, 2023

Attention : President

The Stock Exchange of Thailand

Operating Performance

1. Revenues

Consolidated financial statements		(Thousands Baht)						
	Nine-month		Change		3 rd Quarter		Change	
	2023	2022	Amount	%	2023	2022	Amount	%
Revenue from sales	2,545,798	2,832,154	-286,356	-10.11%	927,440	872,701	54,739	6.27%
Other income	10,706	8,972	1,734	19.33%	3,560	2,230	1,330	59.64%
Total Revenue	2,556,504	2,841,126	-284,622	-10.02%	931,000	874,931	56,069	6.41%

Revenue from sales for nine-month of 2023 slightly decreased 10.11 percent from the same period of last year, main attributions are decrease in sale price and drop in sea freight price, although sales volume increase. Revenue from sales for 3rd quarter of 2023 slightly increased 6.27 percent from the same period of last year, main attribution is higher in sale volume. Other income for nine-month and 3rd quarter of 2023 increased 19.33 and 59.64 percent from the same period of last year, mainly due to interest received. As a result, total revenue for the nine-month of 2023 slightly decreased 10.02 and 3rd quarter slightly increased 6.41 percent from the same period of last year.

2. Cost of goods sold and expenses

Consolidated financial statements								(Thousands Baht)	
	Nine-month		Change		3 rd Quarter		Change		
	2023	2022	Amount	%	2023	2022	Amount	%	
Cost of goods sold	-1,737,059	-1,618,314	-118,745	7.34%	-593,577	-511,732	-81,845	15.99%	
Selling expenses	-350,134	-554,329	204,195	-36.84%	-128,224	-184,672	56,448	-30.57%	
Administrative expenses	-111,468	-114,481	3,013	-2.63%	-52,408	-47,958	-4,450	9.28%	
Finance Costs	-2,606	-3,020	414	-13.71%	-750	-885	135	-15.25%	
Total	-2,201,267	-2,290,144	88,877	-3.88%	-774,959	-745,247	-29,712	3.99%	

Cost of goods sold for nine-month and 3rd quarter of 2023 slightly increased 7.34 and 15.99 percent from the same period of last year, mainly due to increase in sale volume and higher price of electricity.

Selling expenses for nine-month and 3rd quarter of 2023 significantly decreased 36.84 and 30.57 percent from the same period of last year, caused by considerably lower freight prices and the higher proportion of sale volume under FOB terms.

Administrative expenses for nine-month of 2023 slightly decreased 2.63 percent from the same period of last year, due to decrease in estimated employee compensation and 3rd quarter of 2023 increased 9.28 percent from the same period of last year, mainly due to administrative expenses for projects development of the subsidiary, SKN Kraft And Paper Company Limited.

Financial cost of changing on the period of 2023 compared to the same period of last year, mainly due to long-term loan repayment. As a result, the nine-month and 3rd quarter decreased slightly to 13.71 and 15.25 percent from the same period of last year.

As a result, cost of goods sold and expenses on nine-month of 2023 slightly decreased 3.88 percent from the same period of last year and 3rd quarter of 2023 slightly increased 3.99 percent from the same period of last year.

3. Profit

Consolidated financial statements							(Thousands Baht)	
	Nine-month		Change		3 rd Quarter		Change	
	2023	2022	Amount	%	2023	2022	Amount	%
Gross profit	808,739	1,213,840	-405,101	-33.37%	333,863	360,969	-27,106	-7.51%
Profit before income tax	355,237	550,982	-195,745	-35.53%	156,041	129,684	26,357	20.32%
Net profit for period	323,722	498,157	-174,435	-35.02%	142,371	125,052	17,319	13.85%

From revenues, cost of goods sold and expenses factors, company profit before income tax of nine-month 2023 was 355.24 million baht decreased 35.53 percent and 3rd quarter 2023 was 156.04 million bath increased 20.32 percent from the same period of last year. The net profit for the period ended September 30, 2023 was 323.72 million baht decreased 35.02 percent from the same period of last year and 3rd 2023 quarter was 142.37 million baht increased 13.85 percent from the same period of last year.

Sincerely Yours,

(Ms.Orawan Sangwongkit)

Chief Financial Officer