



No. HR/31/24

February 28th, 2024

Subject : Management Discussion and Analysis (MD&A) for the operating results of Yearly 2023

To : President, The Stock Exchange of Thailand

Union Plastic Public Company Limited (UP) would like to clarify the operating results according to the financial statements in which the equity method is applied as of Yearly 2023 ending December 31, 2023. The change more than 20 percent, due to the following reasons :-

The Company's operating results and profitability in 2023 increased from 2022, namely. Earnings per share increased from 1.12 baht to 1.78 baht. Gross profit margin increased from 5.77% to 7.16%. In terms of net profit margin, it increased by 58.82% compared to the previous year. as a result of

- Sales of plastic items increased compared to the previous year. From the increase in orders for automotive parts for use in new models of major customers.
- Gross profit margin Increased because sales of plastic parts and mold sales increased.
- The profit from investments in equity securities caused by changes in the fair value of investments in related company which increased in line with economic trends and expected returns.

The rate of return on assets (ROA) increased from 4.53 % to 6.48 % . and the return on equity (ROE) increased from 5.69% to 8.15%. At the same time, the total asset turnover rate in 2023 is equal to 1.00 times, similar to 2022. The rate of return on net fixed assets increased from 37.63% to 45.58% , respectively.

Considering the reasons that cause the total asset turnover rate in 2023 to be 1.00 times. It was found that the efficiency in managing most of the assets of the business can still be used sufficiently to meet the needs of customers. The quick ratio increased from the previous year from 2.97 times to 3.39 times. Inventory turnover ratio increased from 11.81 times to 14.55 times. This is due to the decrease in inventory at the end of 2023. As for the average debt collection period, it has not decreased 39 days. Most of the debtors are debtors whose payments are not yet due. and there is no problem in collecting debts Because there is no problem in debt collection. Because it is a large debtor, that is, it is a large debtor, that is Famous car manufacturing companies in Thailand. The company therefore considers not setting aside allowance for doubtful debts. The average product sales period is 25 days.

As for the cost and sales and distribution expenses in 2023 , The company has sales and service costs of 610.69 million baht. Baht increased by 44.06 million baht, representing 7.78 percent, compared to 2022, which amounted to 566.63 million baht, consistent with increased sales.

Selling and distribution expenses

In 2023, sales and distribution expenses mainly consist of Shipping costs Sales expenses amounted to 31.35 million baht. An increase of 4.00 million baht, representing 14.63 percent, compared to 2022, which amounted to 27.35 million baht.

Administrative expenses

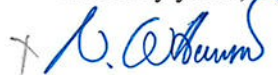
In 2023, administrative expenses amounted to 48.04 million baht, an increase of 0.77 million baht. Representing 1.63 percent compared to 2022, which amounted to 47.27 million baht. There are no significant changes.

Share of losses from associated companies

Loss sharing items from associated companies decreased by 0.076 million baht. Compared to 2022, the main reason was that the company recognized its share of losses in proportion to its investment based on the operating results of its associated companies.

Please be informed accordingly.

Sincerely yours,



(Mr. Wittawat Nicharoj)

Managing Director