

28 February, 2024

The Director and Manager
The Stock Exchange of Thailand
93 Rachadapisek Road
Dindaeng, Dindaeng, Bangkok

Dear Sir:-

Subject: Management's Discussion and Analysis of Financial Results for the Year 2023

The company would like to report the company operating results for year 2023 as follows:-

1. Business Overview

For 2023, the product demand in Thailand has decreased compared to the previous year due to an economic has slowed down. The market competition was quite high and the raw material price has still fluctuated compared with the previous year.

1.1 For 2023, the company's revenue from sales amounted to Baht 1,774.51 million, representing a decrease of Baht 368.68 million, equivalent to 17.20% compared to 2022.

The decrease in sales resulted from price decreased but sales volume increased. The sale price decreased is mainly from the raw material price decreased. Sales volume increased from exports while domestic sales volume decreased. The proportion of sales: 85.54% came from domestic and 14.46% came from export.

1.2 Costs of goods sold in 2023 amounted to Baht 1,808.19 million, increased Baht 244.38 million or 11.91% from the previous year. This was mainly from the price of raw material was lower than the previous year.

1.3 The net loss in 2023 totaled Baht 111.44 million, increased Baht 38.41 million or 52.59% from the previous year. Net loss increased due to the product demand has decreased and the market competition was quite high as a result of the price competition while the price of raw material has still fluctuated compared with the previous year.

1.4 The operating expenses amounted of Baht 112.76 million, a decrease of Baht 62.18 million or 35.54% compared to 2022, mainly due to the allowance for decline in value of inventories decreased Baht 53.98 million while the employee expenses and other decreased Baht 8.20 million.

1.5 Financial costs in 2023 amounted of Baht 7.92 million, a decrease of Baht 7.73 million or 49.39% from the financial costs of trust receipts.

2. The Financial Position

2.1 Assets as at 31 December 2023, the total assets are worth Baht 1,841.48 million, representing a decrease of Baht 314.64 million or 14.59% from 31 December 2022. This main reason was the decrease of inventories amounted of Baht 312.75 million from both price and volume, and right-of-use assets decreased from depreciation of the year. The property, plant and equipment increased due to purchase for replacement of deteriorated assets.

2.2 Liabilities as at 31 December 2023, the total liabilities are Baht 457.96 million, a decrease of Baht 220.25 million or 32.48% from the previous year. The reason was the decrease of trust receipts, trade and other payables and lease liabilities from debt repayment.

2.3 Debt to Equity Ratio

As at 31 December 2023, the company's debt to equity ratio was 0.33, down from the previous year due to payment of trust receipt and trade and other payables.

Yours faithfully,

(Mr.Akamin Nganthavee)

Managing Director