

February 28, 2024

Subject: Management discussion and analysis of the operating results for the year 2023

Attn: President
The Stock Exchange of Thailand

Please find the Audited Financial Statement for the year ended 31 December 2023 which had been audited by Certified Auditor and has been approved by the Board of Director.

Food and Drinks Public Company Limited operating result for the year 2023 compare to 2022 and Statement of financial position as at 31 December 2023 compare to as at 31 December 2022 can be summarized the important essence as follows:

Operating Result

Company's Financial Statement for the year 2023 has net profit amount to Baht 51.09 million or Baht 2.90 per share compared to the net profit of Baht 26.23 million in year 2022. Our book value per share as at 31 December 2023 stood at 71.08 Baht

Significant changing is as follows:

- 1) Revenue from sale Baht 731.65 million decreased by Baht 7.65 million, or 1.04% year-over-year (2022 : Baht 739.30 million).
- 2) Cost of sales decreased by Baht 32.88 million. Cost of sales ratio at 80.53% (2022 : at 84.14%) which results in gross profit of Baht 142.48 million increasing from last year 21.52%.
- 3) Distribution costs Baht 47.13 million increase by Baht 6.37 million or 15.62% (2022 : Baht 40.76 million).
- 4) Company record profit sharing in joint-venture by equity method of Baht 16.61 million increase from last year by Baht 8.87 million (2022 : Baht 7.73 million).
- 5) Income tax expense Baht 9.16 million increased by 4.06 million (2022 : Baht 5.10 million).

Statement of Financial Position

Statement of Financial Position as at 31 December 2023, the company has total asset of Baht 1,616.19 million increased from last year by Baht 37.66 million, total liabilities in Baht 363.50 million decreased from last year by Baht 12.27 million and shareholders' equity of Baht 1,252.69 million increased from last year by Baht 49.92 million or 4.15%. The important changes in asset, liabilities and shareholders' equity are as follows:

Assets

- Cash and cash equivalents increase amounting of Baht 5.51 million from operating cash flow.

- Trade and other receivables decrease amounting of Baht 6.52 million, from normal operation.
- Inventories decrease amounting of Baht 18.35 million, from normal operation.
- Other current assets increase amounting of Baht 8.28 million or 81.00%.
- Bearer plants decrease amounting of Baht 6.62 million or 23.11%.
- Other non-current assets decrease amounting of Baht 3.97 million or 21.60%.

Liabilities

- Short-term loans from financial institutions decrease by Baht 21.50 million or 100.00% from loan repayment.
- Accrued corporate income tax increase by Baht 4.23 million or 100.00% from income tax for the year.
- Long-term loans from financial institutions increase by Baht 12.90 million or 47.75% received loan amounting of Baht 32.00 million and loan repayment during the year. The debt due within 1 year amounted to Bath 9.96 million.

Shareholders' Equity

- Deficit decrease by 49.93 million or 178.13% due profit from financial results for year 2022.

Cash Flow Statement

Cash Flow Statement for the year ended 31 December 2023, the company has cash and cash equivalent transaction net increased from 31 December 2022 in Baht 5.51 million by separate cash flow to each activity as follows:

- The Company has net cash flows from operating results amounting of Baht 81.36 million.
- Net cash flow used in investment amounting of Baht 64.06 million
- Cash flows used for loans from financial institutions repayment amounting of Baht 11.79 million.

Please be informed accordingly.

Sincerely yours,

(Ms. Huai Hui, Lee)
Chief Executive Officer