

Ref: EFORL IR003/2024

28 February 2024

Subject: Management Discussion and Analysis Yearly Ending 31 December 2023

To President
The Stock Exchange of Thailand

1. Overview of the financial performance of E for L Aim Public Company Limited (“EFORL” or “the Company”) and its subsidiaries (collectively referred to as “the Companies”) for the year ended 31 December 2023.

Financial performances Comparison is as follows:

Baht'000	Consolidated F/S			Separate F/S		
	2023	2022	Δ%	2023	2022	Δ%
Revenues from Sales and Services	1,309,839	1,492,481	-12%	1,204,267	1,388,616	1,309,839
Dividend income	-	-	-	-	7,000	-
Other income	7,830	18,071	-57%	8,911	16,865	7,830
Total Revenues	1,317,669	1,510,552	-13%	1,213,178	1,412,481	1,317,669
Gross profit	440,092	495,734	-11%	401,781	456,861	-12%
Margin	33%	33%	88%	33%	32%	
Profit before finance costs and income tax	44,730	85,232	-48%	42,823	89,617	-52%
Margin	3%	6%	372%	4%	6%	
Profit for the year	13,429	53,037	-75%	12,773	60,169	-79%
Margin	1%	4%	585%	1%	4%	
Profit for the year attributable to Equity holder of the Company	13,429	53,037	-75%	12,773	60,169	-79%
Margin	1%	4%	585%	1%	4%	

Financial performance in 2023

The revenue from sales and services for the year ended 31 December 2023, amounted to Baht 1,310 million, representing a decrease of 12% compared to the previous year. This decline was primarily due to the delayed formation of the government, which resulted in the postponement of the approval of the annual government statement of expenditure.

"Excellence for Life"

Since the main customers of the Company are government sectors, the Company was directly affected by the purchase order products from these customers. Consequently, the Company is currently engaged in negotiations with potential partners to introduce new products and expand product lines in order to boost revenues.

2. Key Highlights for performance for the year 2023 and 2022

Baht'000	Consolidated F/S			Separate F/S		
	2023	2022		2023	2022	
Revenues from sales and services	1,309,839	1,492,481	-12%	1,204,267	1,388,616	-13%
Costs of sales and services	(869,747)	(996,747)	-13%	(802,486)	(931,755)	-14%
Gross profit	440,092	495,734	-11%	401,781	456,861	-12%
Dividend income	-	-		-	7,000	-100%
Other income	7,830	18,071	-57%	8,911	16,865	-47%
Selling expenses	(261,663)	(275,655)	-5%	(240,175)	(251,763)	-5%
Administrative expenses	(134,124)	(142,017)	-6%	(120,289)	(128,445)	-6%
Loss on impairment of trade accounts receivable and other receivables	(7,405)	(10,901)	-32%	(7,405)	(10,901)	-32%
Operating profit	44,730	85,232	-48%	42,823	89,617	-52%
Finance costs	(31,097)	(29,510)	5%	(29,778)	(27,856)	7%
Profit before income tax	13,633	55,722	-76%	13,045	61,761	-79%
Income tax expense	(204)	(2,685)	-92%	(272)	(1,592)	-83%
Profit for the year	13,429	53,037	-75%	12,773	60,169	-79%
Other Comprehensive Income						
Item that will not be reclassified subsequently to profit or loss						
Actuarial gain - net of tax	3,859	-		3,415	-	
Total Comprehensive Income for the year	17,288	53,037	-67%	16,188	60,169	-73%
Profit (loss) for the year attributable to						
Equity holder of the Company	13,429	53,037	-75%	12,773	60,169	-79%
Non - controlling interests	-	-		-	-	
	13,429	53,037	-75%	12,773	60,169	-79%
Total Comprehensive Income for the year attributable to						
Equity holder of the Company	17,288	53,037	-67%	16,188	60,169	-73%
Non - controlling interests	-	-		-	-	
	17,288	53,037	-67%	16,188	60,169	-73%
Basic earnings per share						
Profit (Baht per share)	0.0034	0.0133	-74%	0.0032	0.0151	-79%
Weighted average number of common shares (Thousand shares)	3,998,227	3,997,865	0%	3,998,227	3,997,865	

Baht'000	Consolidated F/S			Separate F/S		
	2023	2022		2023	2022	
Key Financial Ratios						
Gross Profit Margin	33.60%	33.22%	1.15%	33.36%	32.90%	1.41%
SG&A as % to Sales	30.22%	27.99%	7.97%	29.93%	27.38%	9.32%
Net Profit Margin	1.03%	3.55%	-71.15%	1.06%	4.33%	-75.52%
Net Profit Margin (Portion of the Company's shareholders)	1.03%	3.55%	-71.15%	1.06%	4.33%	-75.52%

Revenues from sales and services

In 2023 revenues from sales and services amounted to Baht 1,310 million, reflecting a decrease of 12% compared to same period in the previous year. This decline was due to the postponement of the approval of the annual government statement of expenditure, as mentioned earlier.

Gross margin

In 2023, the gross margin was Baht 440 million, representing a decrease of 11% compared to the same period in the previous year. The gross profit margin ratio in 2023 was 33.6%.

Selling and Administrative Expenses

Selling and Administrative expenses in 2023 amounted to Baht 396 million consisting of selling expenses (Baht 262 million) and administration expenses (Baht 134 million). Selling expenses and administrative expenses in 2023 decreased by 5% compared to the previous year. SG&A as a percentage of total revenues in 2023 was 30.22.

Financial costs

Financial costs in 2023 amounted to Baht 31 million, representing an increase of 5% compared to the same period in the previous year. This increase was due to an increase in short term loans from others during 2023.

Net income/ Loss

In 2023, the net profit of EFORL and its subsidiaries amounted to Baht 13 million, representing a decrease of 75% compared to the same period in the previous year. The Total Comprehensive Income for the year 2023 amounted to Baht 17 million, decreased by 67% from the previous year.



Please be informed accordingly.

Yours sincerely,

Preecha Nuntnarumit

(Mr. Preecha Nuntnarumit)

Chief Executive Officer