



Management Discuss and Analysis For the fourth quarter ended December 31 , 2023

Executive summary

The company's revenue from sales and services in this quarter is 157.4 million Baht, increase by 14.9% compared to the previous quarter, caused by increasing orders from major customers and other customers , including orders from new customers.

The new factory has been gradually opening for production since the second quarter. As of the end of the year, 10 machines, both new and existing, were installed and have been used for production in the new factory, accounting for approximately 91% of the plan.

The new 9 machines have already been acquired according to the production capacity expansion plan from the money received from the increase in registered capital, as of the end of the year. The solar cell project is being installed with an estimate progress of 65%. This project has got investment promotion from BOI on September 29, 2023.

The money received from the capital increase to be used for investing in factory expansion projects and investing in additional machinery had a balance of 104.1 million Baht at the end of the year.

Performance Analysis

Operating results of the financial statement for 3 months ended December 31, 2023

Income Statement (Million Baht)	Q4/2023	Q3/2023	Q4/2022	Change (QoQ)		Change (YoY)	
				Million Baht	%	Million Baht	%
Revenue from sales and services	157.4	136.9	103.4	20.5	14.9	54.0	52.2
Gross Profit	52.0	46.2	32.5	5.8	12.5	19.5	60.1
Other income	5.7	3.7	5.6	2.0	53.2	0.1	1.7
Distribution costs	4.6	5.0	4.2	(0.4)	(8.5)	0.4	9.0
Administrative expenses	13.5	15.0	13.5	(1.5)	(9.8)	0.0	0.0
Finance costs	1.0	1.0	1.2	0.0	0.0	(0.2)	(16.7)
Profit before income tax	38.7	29.0	19.1	9.7	33.5	19.6	102.4
Tax expense	7.9	5.6	3.5	2.3	41.6	4.4	125.2
Net Profit	30.8	23.4	15.6	7.4	31.5	15.2	97.3



Operating results of the financial statement for the Q4/2023 compared to Q3/2023 showed an increase in profit of 7.4 million Baht or increased by 31.5% mainly due to the following reasons.-

- Revenue from sales and services increased by 20.5 million Baht or increased by 14.9% due to an increase in orders from customers.
- Other income increased by 2.0 million Baht or increased by 53.2% mainly from the sale of scrap materials from the production that increased by 1.9 million Baht.
- Administrative expenses decreased by 1.5 million Baht or decreased by 9.8% mainly due to the decreased in staff expenses 1.4 million Baht.

Operating results of the financial statement for Q4/2023 compared to the Q4/2022 showed a increase in profit of 15.2 million Baht or increased by 97.3%, mainly due to the following reasons.-

- Revenue from sales and services increased by 54.0 million Baht or increased by 52.2% due to an increase in orders from major customers.
- The ratio of cost of sales and services compared to income from sales and services decreased by 2%



Operating results of the financial statement for year ended December 31 , 2023

Income Statement (Million Baht)	Year 2023	Year 2022	Change (YoY)	
			Million Baht	%
Revenue from sales and services	511.9	541.6	(29.7)	(5.5)
Gross Profit	163.8	189.8	(26.0)	(13.7)
Other income	21.7	21.0	0.7	3.1
Distribution costs	17.8	16.5	1.3	7.6
Administrative expenses	55.7	56.8	(1.1)	(1.9)
Finance costs	4.1	5.2	(1.1)	(21.1)
Profit before income tax	107.9	132.3	(24.4)	(18.5)
Tax expense	21.2	22.7	(1.5)	(6.8)
Net Profit	86.7	109.6	(22.9)	(20.9)

Operating results of the financial statements for year ended December 31, 2023 compared previous year showed a decrease in profit of 22.9 million Baht or decreased by 20.9%, mainly due to the following reasons -

- Revenue from sales of goods and services decreased by 29.7 million Baht or decreased by 5.5% due to the decrease in orders from major customers.
- Other income increased by 0.7 million Baht or increased by 3.1%, mainly arising from gains from sale of assets increased by 2.7 million Baht, interest income increased 1.7 million Baht, gains from foreign exchange rate increased by 1.2 million Baht, but offset with the decrease of the sale of scrap materials from production by 6.0 million Baht, which decreased according to the decrease of production volume.
- Distribution costs increased by 1.3 million Baht or increased by 7.6%, mainly due to the increase in the number of sales staff and the depreciation of new one truck.
- Administrative expenses decreased by 1.1 million Baht or decreased by 1.9% mostly caused by decreased of loss from asset disposal by 1.9 million Baht and IPO-related public relations expenses by 1.6 million Baht, but offset with increased expenses of relocation old machinery from the old factory to the new factory by 2.8 million Baht.



Financial position

Total Financial Position (Million Baht)	31 December 2023	31 December 2022	Change	
			Million Baht	%
Current assets	370.0	506.1	(136.1)	(26.9)
Non-current assets	508.0	337.6	170.4	50.5
Total assets	878.0	843.7	34.3	4.1
Current liabilities	69.1	81.9	(12.8)	(15.6)
Non-current liabilities	119.2	123.3	(4.1)	(3.4)
Total Liabilities	188.3	205.1	(16.8)	(8.2)
Share capital	100.0	100.0	0.0	0.0
Premium on share capital	417.7	417.7	0.0	0.0
Retained earnings	171.9	120.9	51.0	42.2
Total shareholders' equity	689.7	638.6	51.1	8.0

Asset

As of December 31, 2023, the company's total assets increased 34.3 million Baht or increased by 4.1% from the end of 2022 due to non-current assets increased by 170.4 million Baht or increased by 50.5%, deducted current assets decreased by 136.1 million Baht or decreased by 26.9%, mainly due to the following reasons.-

- Decrease in current assets 136.1 million Baht from the sale of short-term investments of 139.4 million Baht to pay for the construction cost of new factory and new machines, raw materials decreased by 13.5 million Baht, mainly from the end of extra storage measures due to the paper shortage situation, which caused the selling price to rise significantly, returning to normal and advance payments for new machinery decreased by 28.6 million Baht but offset with increase of trade receivables 45.9 million Baht.
- Non-current assets increased by 170.4 million Baht, mostly from the acquisition of a new factory building and 6 main machines.

**Liabilities**

As of December 31, 2023, the company has a decrease in total liabilities 16.8 million Baht or decreased by 8.2% from the end of 2022. This was mainly due to a decrease in trade payables of 6.9 million Baht from the policy of payment acceleration of goods liabilities to receive a discount from the vendors, early repayment of loans from financial institutions of 6.9 million Baht for the purpose of managing excess liquidity for maximum benefit and repayment of lease liabilities in due period of 17.0 million Baht but offset with increase of liabilities from new machinery of 8.9 million Baht.

Shareholders' Equity

As of December 31, 2023, the company's total shareholders' equity increased by 51.1 million Baht or increased by 8.0% from the end of 2022 from the operating results of year 2023 and other comprehensive loss amounting to 86.1 million Baht but offset with dividend payments in May and August, amounting to 25.0 million Baht and 10.0 million Baht respectively.

Significant financial ratios

Financial Ratios	31 December 2023	31 December 2022
Gross Profit Margin (%)	32.0	35.0
Net Profit Margin (%)	16.2	19.5
Earnings per share (THB) *	0.9	1.2
Return on Assets (%) **	10.1	16.5
Return on Equity (%) ***	13.1	24.8
Current ratio (Times)	5.4	6.2
Debt to Equity ratio (Times)	0.3	0.3
Book value per share (THB)	6.9	6.4

* Weighted average number of ordinary shares for year period of end of December 31, 2023 and December 31, 2022 are 100,000,000 shares and 89,004,932 shares respectively.

** Calculated by divide 1 year period backward net profit by average total asset.

*** Calculated by divide 1 year period backward net profit by average shareholders' equity.



Liquidity and Capital Resources

Statement of Cash Flows (Million Baht)	31 December 2023	31 December 2022	Change	
			Million Baht	%
Cash flows from Operating Activities				
Net cash provided by operating activities	109.2	154.9	(45.7)	(29.5)
Cash flows from Investing Activities				
Net cash provided by (used in) investing activities	(47.8)	(416.1)	368.3	(88.5)
Cash flows from Financing Activities				
Net cash used in financing activities	(61.2)	258.3	(319.5)	(123.7)
Net increase (decrease) in cash and cash equivalents	0.2	(2.9)	3.1	(106.9)
Cash and cash equivalents at beginning of the period	18.9	21.8	(2.9)	(13.3)
Cash and cash equivalents at end of the period	19.1	18.9	0.2	1.1

As of December 31, 2023, the company had net cash and cash equivalents of 19.1 million Baht, with net cash flows from operating activities of 109.2 million Baht, net cash flows used in investing activities of 47.8 million Baht (mainly from the sale of investment in debt securities 140.1 million Baht, deducted from the purchase of buildings, machinery and equipment of 193.8 million Baht) and net cash flow used in financing activities of 61.2 million Baht (mainly from dividends payment 35 million Baht, repayment of lease liabilities in due periods 15.1 million Baht, and repayment of loans from financial institutions 6.9 million Baht).