

May 14, 2024

Subject: Management Discussion and Analysis For the three-month period ended March 31, 2024
 To: The President,
 The Stock Exchange of Thailand

Home Pottery Public Company Limited (“The Company”) would like to submit the Management Discussion and Analysis of the Company’s operation for the three-month period ended 31 March, 2024 with details as follows:

Unit: Million Baht

	Consolidated financial statements		Separate Financial Statement		Changes (separate financial statement)	
	31/3/2024	31/3/2023	31/3/2024	31/3/2023	(Million Baht)	%
<i>(Unit: Million Baht)</i>						
Revenue from Sales	69.85	64.83	57.44	48.17	9.27	19.24
Profit from fair value measurement of derivatives - net	0.00	0.27	0.00	0.27	-0.27	-100.00
Other income	2.27	3.47	2.09	3.33	-1.24	-37.24
Total Revenue	72.12	68.57	59.53	51.77	7.76	14.99
Cost of Sales	52.04	53.99	44.04	40.27	3.77	9.36
Cost of distributions	5.44	5.16	4.14	4.06	0.08	1.97
Administrative Expenses	6.33	5.12	4.50	3.71	0.79	21.29
Loss from fair value measurement of derivatives - net	0.53	0.00	0.54	0.00	0.54	100.00
Total Expenses	64.34	64.27	53.22	48.04	5.18	10.78
Profit from operating activities	7.78	4.30	6.31	3.73	2.58	69.17
Financial costs	-0.15	-0.11	-0.09	-0.07	0.02	28.57
Profit before income tax income (expense)	7.63	4.19	6.22	3.66	2.56	69.95
Income tax income (expense)	-0.34	-0.12	-0.01	0.01	0.02	-200.00
Profit for the periods	7.29	4.07	6.21	3.67	2.54	69.21
<u>Profit attributable to :</u>						
Equity holders of the parent	7.27	4.07				
Non- controlling interests	0.02	0.00				

The separated Financial Statement of Home Pottery Public Company Limited (“the Company”) for the three-month period ended 31 March 2024 showed total revenue of 59.53 million Baht. The cost of sales amounted to 44.04 million Baht, while cost of distributions and administrative expenses, Loss from fair value measurement of derivatives - net and financial costs were 9.27 million Baht in total. It was able to return to profit showing a total net profit of 6.21 million baht. The changes are explained as follows.

Sales Revenues:

For the three-month period ended 31 March 2024, the Company generated a revenue from sales of 57.44 million Baht, increasing by 19.24% when compared to the same period in the previous year, which had a total revenue of 48.17 million Baht. Mainly increased from foreign sales volume. Both in terms of selling products that the company products and the income from buying-in and selling-out the products according to the customer request.

Other Revenues:

For the three-month period ended 31 March 2024, the Company generated other revenue of 2.09 million Baht, decreasing by 37.24% from the previous year, which had other revenue of 3.33 million Baht. This is due to decreasing by gain on exchange rate.

Cost of sales, Cost of distributions and Administrative Expenses:

For the three-month period ended 31 March 2024, the cost of sales was 44.04 million Baht, increasing by 9.36% from the same period in the previous year which had a cost of sales of 40.27 million Baht. The Company's Gross Profit was 13.40 million Baht which had a Gross Profit Margin of 23.33%, increasing from the same period of previous year which had a Gross Profit Margin of 16.40%.

For the three-month period ended 31 March 2024, the cost of distributions and administrative expenses was 8.64 million Baht, increasing from the same period of previous year which had 7.77 million Baht, due to an increase in distribution costs. Caused by transportation and customs procedure expenses that increases according to sales volume.

Net profit and Net profit margin

For the three-month period ended 31 March 2024, the Company's Net Profit was 6.21 million Baht which had a Net Profit Margin of 40.43%, increase 69.21% from the same period of the previous year which had Net Loss of 3.67 million Baht. This increase resulted from increased sales volume compared to the same period last year Thus affecting the recognition of revenue, profits and increased profit margins.

The consolidated financial statements in the three-month period ended 31 March 2024, show total sales revenue of 69.85 million baht, cost of sales of 52.04 million baht and show net profit for the period of 7.29 million baht, with increased profits from the previous year. Because the company and its subsidiaries has adjusted its strategies and promoted marketing both domestically and internationally. Causing an increase in sales volume and can control cost and expenses therefore making more profits.

Please be informed accordingly.

Best Regards,

Home Pottery Public Company Limited

(Mr.Niran Chourkittisopon)

Managing Director