

Management Discussion and Analysis

For Quarter 1 Ending March 31st, 2024

The Company's Performance

Performance	Q1 '24	Q1 '23	Change	Q4 '23	Change
Unit: Million Baht			%YoY		%QoQ
Revenue from sales	313.7	241.0	30.2%	337.0	(6.9%)
Cost of Sales	244.7	196.2	24.7%	236.0	3.7%
Gross Profit	69.0	44.8	54.0%	101.0	(31.7%)
Gross Profit Margin	22.0%	18.6%	3.4%	30.0%	(8.0%)
Other income	1.2	3.6	(66.7%)	12.5	(90.4%)
Total revenues	314.9	244.6	28.7%	349.5	(9.9%)
Distribution costs	23.2	16.8	38.1%	19.3	20.2%
Administrative expenses	27.6	21.5	28.4%	22.4	23.2%
Profit from operation	19.4	10.1	92.1%	71.8	(73.0%)
Financial cost	0.2	0.0	N/A	0.2	0.0%
Income tax expenses	6.4	1.9	236.8%	14.2	(54.9%)
Net Profit	12.8	8.2	56.1%	57.4	(77.7%)
Net Profit Margin	4.1%	3.4%	0.7%	16.4%	(12.3%)
EBITDA	37.3	23.6	58.1%	88.8	(58.0%)
EBITDA Margin	11.8%	9.6%	2.2%	25.4%	(13.6%)

Total Revenues

The Company had total revenues of 313.7 million baht in the first quarter of 2024, an increase of 72.7 million baht or 30.2% compared to the same period of the previous year. This is a result of strong sales growth in all regions, including Asia, which grew by 149.5 million baht or 18.2%, North America, which grew by 98.8 million baht or 52.5%, and the Middle East, which grew by 35.0 million baht or 35.1% compared to the same period of the previous year. In the first quarter of 2024, the product ordering situation in the Americas returned to normal, with no issues regarding product distribution as seen in the previous year.

In addition, in the first quarter of 2024, the Company launched a new product, 100% Coconut Water Drink under the Company's brand "COCO ROYAL," to capitalize on a market that is experiencing continuous growth. Its sales are expected to have an impact from the second quarter of 2024 onwards.

Cost of Sales

In the first quarter of 2024, the Company's cost of sales amounted to 244.7 million baht, reflecting a 24.7% increase, or 48.5 million baht, compared to the same period of the previous year. This increase is in proportion to the growth in sales and fuel expenses, including utility costs that rose due to increased production capacity this quarter. However, the Company continues to prioritize the management and control of production and sales costs to achieve the planned efficiency targets. Additionally, a new production lines have been installed, and manpower has been increased to support the product production plan, which is expected to expand further during the high season in the second quarter.

Gross Profit

The Company earned a gross profit of 69.0 million baht in the first quarter of 2024, an increase of 24.2 million baht or 54.0% compared to the same period of the previous year. This growth is in line with the increase in sales revenue and reflects efficient cost management. As a result, the gross profit margin in the first quarter of 2024 increased to 22.0%, compared to 18.6% in the same period of the previous year.

Distribution Expense

The Company's sales and distribution expense in the first quarter of 2024 was 23.2 million baht, an increase of 6.4 million baht or 38.1% compared to the same period in the previous year. This increase is attributed to higher expenses related to sales promotions, entertainment, and exports, aligning with the growth in sales revenue. In addition, the Company continued to participate in booth trade shows abroad, such as the China Food and Drink Fair (CFDF) in Chengdu, China, Gulfood 2024 food and beverage expo in Dubai, United Arab Emirates, and the FOODEX JAPAN 2024 trade show in Japan. These efforts are part of the marketing strategy to raise awareness of PLUS's products and expand the Company's customer base abroad, in line with the strategic plan.

Administrative Expense

The Company's administrative expenses in the first quarter of 2024 amounted to 27.6 million baht, representing an increase of 6.1 million baht or 28.4% compared to the same period in the previous year. This increase can be attributed to expenses related to consulting fees for legal operations, human resource management, and system development. There were also higher depreciation expenses and increased expenses related to employees and welfare, all of which were necessary to support the Company's growing trend. Exchange rate losses from financial risk management also increased.

Net Profit

The Company achieved a net profit of 12.8 million baht in the first quarter of 2024, an increase of 4.6 million baht or 56.1% compared to the same period in the previous year. As a result, the net profit ratio for the quarter was 4.1%, an improvement from 3.4% in the same period of the previous year.

The Company's Statement of Financial Position

(Unit : Million Baht)	31 March 2024	31 December 2023	% Change
Total current asset	643.7	646.2	(0.4%)
Total non-current asset	1,083.4	1,038.4	4.3%
Total Asset	1,727.1	1,684.6	2.5%
Total current liability	334.9	290.4	15.3%
Total non-current liability	38.9	39.6	(1.8%)
Total Liability	373.8	330.0	13.3%
Capital	1,008.7	1,008.7	0.0%
Accumulated profit	344.6	345.9	(0.4%)
Total shareholders' equity	1,353.3	1,354.6	(0.1%)

Assets

As of March 31st, 2024, the Company's total assets amounted to 1,727.1 million baht, representing a 2.5% increase from the end of the year 2023. Current assets were 643.7 million baht, a decrease of 0.4% primarily due to reductions in cash and cash equivalents, trade receivables from customer debt payments, and inventory to support sales in the next quarter. Non-current assets totaled 1,083.4 million baht, an increase of 4.3% driven by investments in assets such as lands, buildings, machinery equipment, and computer equipment and software. In addition, new production lines for PET bottles, including the Aseptic and Warm fill production lines, were delivered as part of the Company's production capacity expansion plan to support its continuously growing business.

Liabilities

As of March 31st, 2024, the Company's total liabilities amounted to 373.8 million baht, reflecting an increase of 13.3% from the end of the year 2023. Current liabilities were 334.9 million baht, a 15.3% increase primarily driven by trade payables for packaging raw materials used in production, income received in advance for goods awaiting delivery on schedule, and an increase in other current financial liabilities. In addition, accrued corporate income tax from operating results contributed to the increase. Non-current liabilities totaled 38.9 million baht, a 1.8% decrease resulting from the repayment of long-term loans from financial institutions and liabilities under long-term financial leases and asset leases. However, there are still more items estimating future employee benefits.

Shareholders' Equity

As of March 31st, 2024, the Company's total shareholders' equity amounted to 1,353.3 million baht, reflecting an increase of 0.1% from the performance of the first quarter of 2024, which contributed 12.8 million baht. In addition, there was an impact from other comprehensive income (loss) from losses from cash flow hedging of 14.0 million baht.

Key Financial Ratios

Financial Ratios	Quarter 1	
	2024	2023
Gross profit margin (%)	22.02	18.58
Net profit margin (%)	4.06	3.36
Earnings per share (baht)	0.02	0.01
Return on Assets (%)	11.29	11.27
Return on Equity (%)	14.23	13.44
Current ratio (times)	1.92	3.36
Debt to equity ratio (times)	0.28	0.23
Book value per share (baht)	2.02	1.88

Liquidity and Capital Resources

Cash Flow Statement (Million Baht)	Q1/2024	Q1/2023	% Change
Cash flows from operating activities			
Net cash flow from operating activities	59.7	65.6	(9.0%)
Cash flows from investing activities			
Net cash from (used in) investing activities	(62.4)	(20.2)	208.9%
Cash flows from financing activities			
Net cash from (used in) financing activities	1.4	(0.4)	(450.0%)
Cash and cash equivalents net increase	(1.3)	45.0	(102.9%)
Cash and cash equivalents at beginning of period	379.3	578.2	(34.4%)
Cash and cash equivalents at end of period	378.0	623.2	(39.3%)

As of March 31st, 2024, the Company had a cash and cash equivalent balance of 378.0 million baht. The net cash flow of 59.7 million baht was obtained from operational activities. The net cash flow spent on investment activities was 62.4 million baht, used for the purchase of assets, machinery, equipment, factory tools, computers, and software to support the expansion of production capacity. The net cash flow from financing activities was 1.4 million baht, reflecting an increase from signing a Letter of Credit (L/C) contract with a financial institution for 2.6 million baht, which was used to pay for machinery and to repay debts according to the lease agreement and long-term loans with periodic interest of 1.5 million baht.