



KCG Corporation Public Company Limited



Management Discussion and Analysis (MD&A)

For the Second Quarter Ended 30 June 2023

Business Overview

- ✦ KCG Corporation Plc (the "Company" or "KCG") operates business in manufacturing and distributing products for consumption covering activities from research and development process to create production formula, procurement of raw materials, product manufacturing, distribution, and transportation to customers domestically, as well as exporting products to other countries. The Company is also an importer and distributor of leading products from overseas to Thailand. The Company's products can be categorized into three main groups:
 - (1) Dairy products, consisting of butter, cheese, and other dairy products.
 - (2) Food and Bakery Ingredients and other products (FBI), consisting of food ingredient, packaged food, frozen food, bakery ingredients, food additives, concentrated fruit juice, and bakery and cooking equipment.
 - (3) Biscuits, consisting of cookies, crackers, and wafers.
- ✦ The Company is the market leader in both butter and cheese products, with the No.1 market share of 55.0% for butter, and the No. 1 market share of 31.6% for cheese. The Company is also ranked in the top 5 market share for FBI and biscuits. The Company's brands include "Allowrie", "Imperial", "DAIRYGOLD", "Violet", "Premio", "SUNQUICK", etc.
- ✦ The Company was listed and started trading on the Stock Exchange of Thailand (SET) in the Agro & Food Industry group, Food & Beverage sector, under the ticker symbol "KCG" on 3 August 2023.
- ✦ After initial public offering (IPO), The Company has a paid-up capital of THB 545 million, consisting of 390 million existing common shares and 155 million newly issued shares, with a par value of THB 1.0. The Company offered newly issued shares to the general public at THB 8.50 per share for a total THB 1,317.5 million in fund raised. The IPO price is equivalent to the price-to-earnings ratio (P/E ratio) of 17.33 times calculated from the Company's net profit in the past 12 months divided by fully diluted shares. The Company has a market capitalization at IPO of THB 4,632.5 million.

Summary of the Operating Results Q2/2023 and 6M/2023 and Outlook

Operating Results	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change
				%YoY	%QoQ			
(Unit: THB Million, %)								
Sales	1,356.0	1,707.9	1,561.0	+15.1%	-8.6%	2,653.1	3,268.9	+23.2%
Other income	22.8	15.4	9.6	-57.7%	-37.3%	43.6	24.9	-42.8%
Total revenue	1,378.7	1,723.3	1,570.7	+13.9%	-8.9%	2,696.6	3,293.9	+22.1%
Cost of sales	974.8	1,247.0	1,098.4	+12.7%	-11.9%	1,873.7	2,345.3	+25.2%
Gross profit	381.2	460.9	462.7	+21.4%	+0.4%	779.3	923.6	+18.5%
Selling and distribution expenses	200.0	244.8	243.2	+21.6%	-0.6%	439.5	488.0	+11.0%
Administrative expenses	135.1	134.5	139.5	+3.3%	+3.8%	261.2	273.9	+4.9%
SG&A	335.1	379.3	382.7	+14.2%	+0.9%	700.7	761.9	+8.7%
Finance costs	11.5	22.8	22.9	+99.0%	+0.4%	22.1	45.7	+106.5%
Profit before income tax expenses	57.3	74.2	66.6	+16.4%	-10.2%	100.1	140.8	+40.7%
Tax expenses	12.4	15.8	15.9	+28.6%	+0.9%	22.9	31.6	+38.0%
Net profit	44.9	58.4	50.8	+13.0%	-13.1%	77.1	109.2	+41.6%
EBITDA	115.1	141.0	133.8	+16.3%	-5.1%	213.4	274.8	+28.8%
Gross profit margin (%)	28.1%	27.0%	29.6%	+1.5%	+2.7%	29.4%	28.3%	-1.1%
SG&A to sales (%)	24.7%	22.2%	24.5%	-0.2%	+2.3%	26.4%	23.3%	-3.1%
Net profit margin (%)	3.3%	3.4%	3.2%	-0.03%	-0.2%	2.9%	3.3%	+0.5%
EBITDA margin (%)	8.3%	8.2%	8.5%	+0.2%	+0.3%	7.9%	8.3%	+0.4%

Q2/2023 vs Q2/2022 (YoY)

- ✦ In Q2/2023, the Company recorded net profit of THB 50.8 million, increased by 13.0% YoY, with the following key matters:
 - ✦ Sales increased by 15.1% YoY, with growth from every product category and every sales channel, supported by the increased consumer demand and the new product launch.
 - ✦ Gross profit margin improved by 1.5% YoY despite higher raw material and imported product costs, supported by selling price increase in the second half of 2022 and higher capacity utilization rate. However, the cost of raw materials and imported products has been gradually declining since the beginning of this year.
 - ✦ SG&A expanded by 14.2% YoY, following the higher sales. Higher expenses mainly came from advertising and promotion, transportation, utility, and employee expenses. However, the percentage of SG&A to sales slightly decreased by 0.2% YoY, supported by increased sales and effective cost management.
 - ✦ Finance costs increased by 99.0% YoY, mainly due to higher borrowings from financial institutions derived from 1) the use of credit lines to purchase more raw materials and products; 2) the use of credit lines for investment projects. The Company plans to use some IPO proceeds in Q3/2023 to repay this portion of loans, which will lower financial costs of the Company in the future; and 3) higher interest rates.
 - ✦ Income tax expenses increased by 28.6% YoY due to higher profit before income tax.

Q2/2023 vs Q1/2023 (QoQ)

- ✦ In Q2/2023, the Company recorded net profit of THB 50.8 million, decreased by 13.1% QoQ, with the following key matters:
 - ✦ Sales decreased by 8.6% QoQ, following the low sales season as Q2 is usually the lowest sales period of the year.
 - ✦ Gross profit margin increased by 2.7% QoQ, supported by decreased raw material and imported product costs.
 - ✦ SG&A increased by 0.9% QoQ, mainly due to higher advertising and promotion and utilities expenses. The percentage of SG&A to sales increased by 2.3% QoQ, mainly due to decreased sales.
 - ✦ Finance costs slightly increased by 0.4% QoQ, mainly due to higher interest rates.
 - ✦ Income tax expenses increased by 0.9% QoQ due to higher non-deductible expenses in the calculation of net profit.

6M/2023 vs 6M/2022 (YoY)

- ✦ In 6M/2023, the Company recorded net profit of THB 109.2 million, increased by 41.6% YoY, with the following key matters:
 - ✦ Sales increased by 23.2% YoY, with growth from every product category and every sales channel, supported by higher consumer demand, new product launch, as well as additional sales from Indoguna (Thailand) Co., Ltd. ("Indoguna" or "IDG"), a new subsidiary the Company acquired in March 2022.
 - ✦ Gross profit margin decreased by 1.1% YoY mainly due to continuous increase of cost of raw materials and imported goods during the year 2022 until the beginning of 2023, pressuring gross profit margin in Q1/2023, together with higher listing fees of new product launch. However, gross profit margin in Q2/2023 gradually increased.
 - ✦ SG&A expanded by 8.7% YoY, following the higher sales. Higher expenses mainly due to advertising and promotion, transportation, utility, and employee expenses. However, the percentage of SG&A to sales decreased by 3.1% YoY, supported by increased sales and effective cost management.
 - ✦ Finance costs increased by 106.5% YoY, mainly due to higher borrowings from financial institutions derived from 1) the use of credit lines to purchase more raw materials and imported products; 2) the use of credit lines for investment projects; and 3) higher interest rates.
 - ✦ Income tax expenses increased by 38.0% YoY due to higher profit before income tax.

Outlook

In 2022, the Company's major raw material costs, which were mostly imported, e.g., butter oil, cheeses, and milk powder, as well as imported trading goods steadily increased throughout the year. This was due to the shortage of raw materials in the world market, the conflict between Russian and Ukrainian, the depreciation of Thai baht, and the increase in energy and transportation costs. However, from the beginning of 2023, the cost of raw materials started to stabilize and decrease, while the Company gradually used up the high-cost raw materials, reflected by the improved gross profit margin in Q2/2023.

The Company's capacity utilization tends to increase significantly during Q3 and Q4 every year following the high sales season. The Company will thus benefit from economies of scale in the second half of the year. Therefore, the Company expects its gross profit margin will continue to improve while there will be more driving factors from the growing number of Thai and foreign tourists, which will result in an increase in the service sector and private consumption. Political certainty in the future will also help drive Thailand's economic growth and has a positive effect on the Company's performance to achieve its target growth.

Sales by Product Category (Unit: THB Million)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
Dairy products	804.9	1,008.9	933.0	+15.9%	-7.5%	1,591.3	1,941.9	+22.0%
Foods & Bakery Ingredients and others (FBI)	426.2	522.3	471.8	+10.7%	-9.7%	795.6	994.1	+25.0%
Biscuits	124.9	176.7	156.3	+25.1%	-11.6%	266.2	333.0	+25.1%
Total Sales	1,356.0	1,707.9	1,561.0	+15.1%	-8.6%	2,653.1	3,268.9	+23.2%
%Sales by Product Category (Unit: %)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
Dairy products	59.4%	59.1%	59.8%	+0.4%	+0.7%	60.0%	59.4%	-0.6%
Foods & Bakery Ingredients and others (FBI)	31.4%	30.6%	30.2%	-1.2%	-0.4%	30.0%	30.4%	+0.4%
Biscuits	9.2%	10.3%	10.0%	+0.8%	-0.3%	10.0%	10.2%	+0.2%
Total	100.0%	100.0%	100.0%			100.0%	100.0%	

Sales by Channel (Unit: THB Million)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
B2B	579.8	660.6	679.5	+17.2%	+2.9%	1,091.8	1,340.0	+22.7%
B2C	725.8	979.9	806.9	+11.2%	-17.6%	1,445.1	1,786.8	+23.6%
Export	50.4	67.5	74.7	+48.3%	+10.6%	116.2	142.1	+22.3%
Total Sales	1,356.0	1,707.9	1,561.0	+15.1%	-8.6%	2,653.1	3,268.9	+23.2%
%Sales by Channel (Unit: %)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
B2B	42.8%	38.7%	43.5%	+0.8%	+4.8%	41.2%	41.0%	-0.2%
B2C	53.5%	57.4%	51.7%	-1.8%	-5.7%	54.5%	54.7%	+0.2%
Export	3.7%	4.0%	4.8%	+1.1%	+0.8%	4.4%	4.3%	-0.03%
Total	100.0%	100.0%	100.0%			100.0%	100.0%	

Sales by Operation (Unit: THB Million)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
Own-manufacturing products	1,011.6	1,245.7	1,160.8	+14.7%	-6.8%	2,009.5	2,406.5	+19.8%
Trading products	344.4	462.2	400.2	+16.2%	-13.4%	643.6	862.5	+34.0%
Total Sales	1,356.0	1,707.9	1,561.0	+15.1%	-8.6%	2,653.1	3,268.9	+23.2%
%Sales by Operation (Unit: %)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
Own-manufacturing products	74.6%	72.9%	74.4%	-0.2%	+1.4%	75.7%	73.6%	-2.1%
Trading products	25.4%	27.1%	25.6%	+0.2%	-1.4%	24.3%	26.4%	+2.1%
Total	100.0%	100.0%	100.0%			100.0%	100.0%	

Operating Results

1. Revenue from sales

Operating Results (Unit: THB Million)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
Revenue from sales	1,356.0	1,707.9	1,561.0	+15.1%	-8.6%	2,653.1	3,268.9	+23.2%

Q2/2023 vs Q2/2022 (YoY)

- In Q1/2023, the Company recorded total sales of THB 1,561.0 million, increased by THB 205.1 million or 15.1% YoY, with growth from every product category and every sales channel, supported by the increased consumer demand and the new product launch.

Q2/2023 vs Q1/2023 (QoQ)

- In Q1/2023, the Company recorded total sales of THB 1,561.0 million, decreased by THB 146.9 million or 8.6% QoQ, following the low sales season as Q2 usually contributes the lowest sales of the year.

6M/2023 vs 6M/2022 (YoY)

- In 6M/2023, the Company recorded total sales of THB 3,268.9 million, increased by THB 615.9 million or 23.2% YoY, with growth from every product category and every sales channel, supported by the increased consumer demand, new product launch, and additional sales from IDG, a subsidiary of the Company acquired in March 2022. IDG operates the business of importing and distributing frozen food products such as meat, lobster, and cold cuts, which are categorized as food and bakery ingredients and other products (FBI).

2. Cost of Sales and Gross Profit

Operating Results (Unit: THB Million, %)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
Sales	1,356.0	1,707.9	1,561.0	+15.1%	-8.6%	2,653.1	3,268.9	+23.2%
Cost of sales	974.8	1,247.0	1,098.4	+12.7%	-11.9%	1,873.7	2,345.3	+25.2%
Gross profit	381.2	460.9	462.7	+21.4%	+0.4%	779.3	923.6	+18.5%
Gross profit margin (%)	28.1%	27.0%	29.6%	+1.5%	+2.7%	29.4%	28.3%	-1.1%

Q2/2023 vs Q2/2022 (YoY)

- In Q2/2023, the Company recorded cost of sales of THB 1,098.4 million, increased by THB 123.6 million or 12.7% YoY, following the higher sales and increased raw material and imported product costs. However, the cost of raw materials and imported products has been gradually declining since the beginning of this year.
- Gross profit in Q2/2023 was THB 462.7 million, increased by THB 81.5 million or 21.4% YoY, following the higher sales, with gross profit margin of 29.6%, improved from 28.1% in Q2/2022 despite the higher increased raw material and imported product costs, supported by the selling price increase in the second half of 2022, the increased capacity utilization rate, and effective production cost management.

Q2/2023 vs Q1/2023 (QoQ)

- In Q2/2023, the Company recorded cost of sales of THB 1,098.4 million, decreased by THB 148.6 million or 11.9% YoY, following the low sales season as Q2 is generally the quarter that contributes the lowest sales quarter of the year. Another factor was from the gradual decrease of raw material and imported product costs since the beginning of 2023.
- Gross profit in Q2/2023 was THB 462.7 million, increased by THB 1.8 million or 0.4% YoY, with gross profit margin of 29.6%, improved from 27.0% in Q1/2023, supported by the decrease of raw material and imported product costs as well as effective production cost management.

6M/2023 vs 6M/2022 (YoY)

- In 6M/2023, the Company recorded cost of sales of THB 2,345.3 million, increased by THB 471.6 million or 18.5% YoY, following the higher sales and increased raw material and imported product costs.
- Gross profit in 6M/2023 was THB 923.6 million, increased by THB 144.3 million or 25.2% YoY, following the higher sales. Gross profit margin stood at 28.3%, decreased from 29.4% in 6M/2022 due to the continuous increase of raw material and imported product costs throughout the year 2022. Although the costs began to decrease in early 2023, the Company carried around 2-4 months of raw materials; therefore, the Company still bore high costs of raw materials and imported products during the beginning of 2023, thus pressuring gross profit margin in Q1/2023. The higher listing fees for the new product launch also pulled the margin. However, gross profit margin started to improve in Q2/2023, supported by the gradual use of high raw material costs. More support was from the selling price increase in the second half of 2022, the increased capacity utilization rate, and effective production cost management.

3. Selling, General and Administrative Expenses (SG&A)

Operating Results (Unit: THB Million, %)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change
				%YoY	%QoQ			%YoY
Sales	1,356.0	1,707.9	1,561.0	+15.1%	-8.6%	2,653.1	3,268.9	+23.2%
Selling and distribution expenses	200.0	244.8	243.2	+21.6%	-0.6%	439.5	488.0	+11.0%
Administrative expenses	135.1	134.5	139.5	+3.3%	+3.8%	261.2	273.9	+4.9%
SG&A	335.1	379.3	382.7	+14.2%	+0.9%	700.7	761.9	+8.7%
SG&A to sales (%)	24.7%	22.2%	24.5%	-0.2%	+2.3%	26.4%	23.3%	-3.1%

Q2/2023 vs Q2/2022 (YoY)

- In Q2/2023, the Company recorded selling, general and administrative expenses (SG&A) of THB 382.7 million, increased by THB 47.6 million or 14.2% YoY, following the higher sales. Higher expenses mainly due to advertising and promotion, transportation, and employee expenses.
- SG&A to sales in Q2/2022 was 24.5%, decreased from 24.7% in Q2/2022 due to increased sales and effective cost management.

Q2/2023 vs Q1/2023 (QoQ)

- In Q2/2023, the Company recorded SG&A of THB 382.7 million, increased by THB 3.5 million or 0.9% QoQ, despite the lower sales. Higher expenses mainly came from advertising and promotion as well as utilities expenses.
- SG&A to sales in Q2/2022 was 24.5%, increased from 22.2% in Q2/2022 mainly due to the decreased sales from low sales season.

6M/2023 vs 6M/2022 (YoY)

- In 6M/2023, the Company recorded SG&A of THB 761.9 million, increased by THB 61.3 million or 8.7% YoY, following the higher sales. Higher expenses mainly due to advertising and promotion, transportation, utilities expenses, and employee expenses.
- SG&A to sales in 6M/2022 was 23.3%, decreased from 26.4% in 6M/2022, supported by increased sales and effective cost management.

4. Finance Costs

Operating Results (Unit: THB Million)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change
				%YoY	%QoQ			%YoY
Finance costs	11.5	22.8	22.9	+99.0%	+0.4%	22.1	45.7	+106.5%
Total loans from financial institutions*	2,103.7	2,696.9	2,608.1	+24.0%	-3.3%	2,103.7	2,608.1	+24.0%
Total interest-bearing debts*	2,186.5	2,827.3	2,725.1	+24.6%	-3.6%	2,186.5	2,725.1	+24.6%

* 6M/2022 and 6M/2023 Total loans from financial institutions and total interest-bearing debts were from the Q2/2022 and Q2/2023 financial statements, respectively.

Q2/2023 vs Q2/2022 (YoY)

- In Q2/2023, the Company recorded finance costs of THB 22.9 million, increased by THB 11.4 million or 99.0% YoY, mainly due to higher borrowings from financial institutions derived from 1) the use of credit lines to purchase more raw materials and trading products; 2) the use of credit lines for the investment in the construction and development of distribution center and warehouse KCG Logistics Park and the investment to improve the area and the factory layout for the production capacity expansion of butter and cheese. The Company plans to use some of the IPO proceeds received in Q3/2023 to repay this portion of loans, which will lower the financial costs of the Company in the future; and 3) higher interest rates.

Q2/2023 vs Q1/2023 (QoQ)

- In Q2/2023, the Company recorded finance costs of THB 22.9 million, slightly increased by THB 0.1 million or 0.4% QoQ, mainly due to higher interest rates.

6M/2023 vs 6M/2022 (YoY)

- In 6M/2023, the Company recorded finance costs of THB 45.7 million, increased by THB 23.6 million or 106.5% YoY, mainly due to higher borrowings from financial institutions derived from 1) the higher use of credit lines to purchase more raw materials and products; 2) the use of credit lines for some the investment projects as earlier explained; and 3) higher interest rates.

5. Income Tax Expenses

Operating Results (Unit: THB Million, %)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
Profit before income tax expenses	57.3	74.2	66.6	+16.4%	-10.2%	100.1	140.8	+40.7%
Tax expenses	12.4	15.8	15.9	+28.6%	+0.9%	22.9	31.6	+38.0%
Effective tax rate (%)	21.6%	21.2%	23.8%	+2.3%	+2.6%	22.9%	22.5%	-0.5%

Q2/2023 vs Q2/2022 (YoY)

- In Q2/2023, the Company recorded tax expenses of THB 15.9 million, increased by THB 3.5 million or 28.6% YoY, mainly due to higher profit before income tax expenses.

Q2/2023 vs Q1/2023 (QoQ)

- In Q2/2023, the Company recorded tax expenses of THB 15.9 million, slightly increased by THB 0.1 million or 0.9% QoQ, mainly due to higher non-deductible expenses in the calculation of net profit.

6M/2023 vs 6M/2022 (YoY)

- In 6M/2023, the Company recorded tax expenses of THB 31.6 million, increased by THB 8.7 million or 38.0 YoY, mainly due to higher profit before income tax expenses.

6. Net Profit

Operating Results (Unit: THB Million)	Q2/2022	Q1/2023	Q2/2023	Change		6M/2022	6M/2023	Change %YoY
				%YoY	%QoQ			
Total revenue	1,378.7	1,723.3	1,570.6	+13.9%	-8.9%	2,698.5	3,293.9	+22.1%
Net profit	44.9	58.4	50.8	+13.0%	-13.1%	77.1	109.2	+41.6%
Net profit margin (%)	3.3%	3.4%	3.2%	-0.03%	-0.2%	2.9%	3.3%	+0.5%

Q2/2023 vs Q2/2022 (YoY)

- ✦ In Q2/2023, the Company recorded net profit of THB 50.8 million, increased by THB 5.8 million or 13.0% YoY, supported by the following reasons:
 - ✦ Sales increased by 15.1% YoY, supported by higher consumer demand and the new product launch.
 - ✦ Gross profit margin improved by 1.5% YoY despite higher raw material and imported product costs, supported by the selling price increase in the second half of 2022 and a higher capacity utilization rate. However, the cost of raw materials and imported products has been gradually declining since the beginning of this year.
 - ✦ The percentage of SG&A to sales slightly decreased by 0.2% YoY despite the higher expenses following increased sales, supported by increased sales and effective cost management.

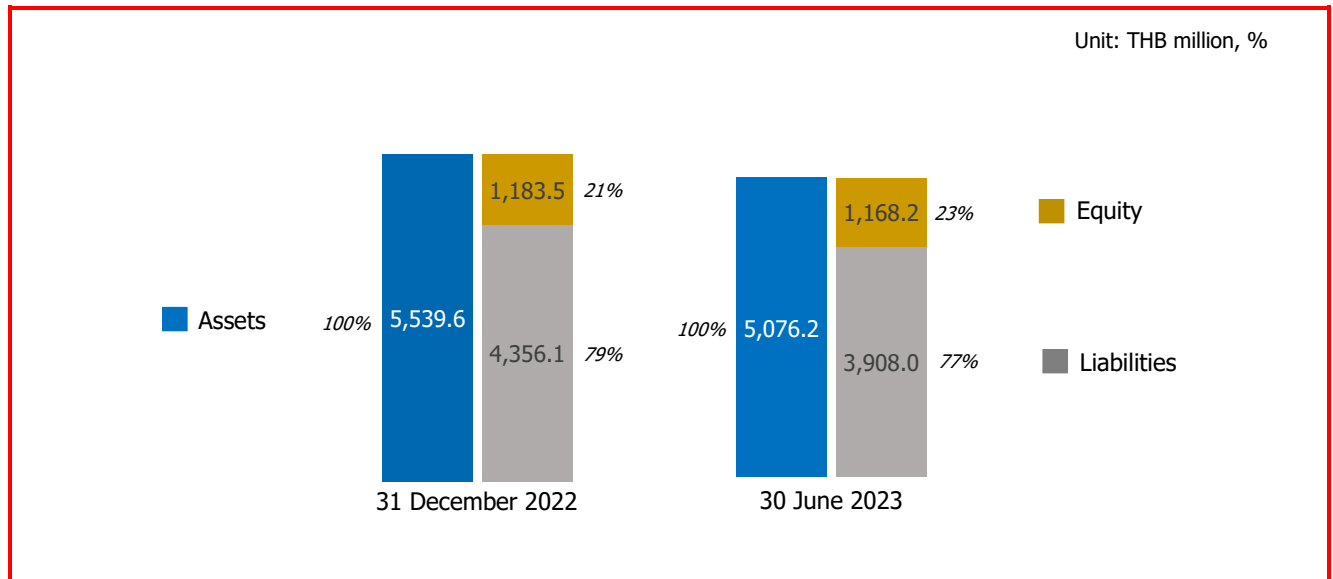
Q2/2023 vs Q1/2023 (QoQ)

- ✦ In Q2/2023, the Company recorded net profit of THB 50.8 million, decreased by THB 7.7 million or 13.1% QoQ, mainly due to the following reasons:
 - ✦ Sales decreased by 8.6% QoQ, following the low sales season as Q2 is usually the lowest sales period of the year.
 - ✦ SG&A increased by 0.9% QoQ, mainly due to higher advertising and promotion and utilities expenses.
 - ✦ Finance costs slightly increased by 0.4% QoQ, mainly due to higher interest rates.
 - ✦ Income tax expenses increased by 0.9% QoQ due to higher non-deductible expenses in the calculation of net profit.

6M/2023 vs 6M/2022 (YoY)

- ✦ In 6M/2023, the Company recorded net profit of THB 109.2 million, increased by THB 32.1 million or 41.6% YoY, supported by the following reasons:
 - ✦ Sales increased by 23.2% YoY, supported by higher consumer demand, the new product launch, and additional sales from IDG, a new subsidiary the Company acquired in March 2022.
 - ✦ The percentage of SG&A to sales decreased by 3.1% YoY, supported by increased sales and effective cost management.

Statement of Financial Position



Assets

- As at 30 June 2023, the Company had total assets of THB 5,076.2 million, decreased by THB 463.4 million or 8.4% from THB 5,539.6 million at the end of 2022. The decrease was mainly due to 1) lower trade receivables, following the low sales season during Q2; 2) the reduced inventories supported by the decrease in raw material price volatility, the Company therefore lowered the reserve of raw materials; 3) the decrease in cash and cash equivalents from the investment in the construction and development of distribution center and warehouse KCG Logistics Park at Bangplee plat as well as the investment to improve the area and the factory layout to increase the production capacity of butter and cheese at Theparak plant; 4) lower right-of-use assets; and 5) reduced intangible assets.

Liabilities

- As at 30 June 2023, the Company had total liabilities of THB 1,168.2 million, decreased by THB 174.3 million or 10.3% from THB 4,356.1 million at the end of 2022. The decrease was mainly due to 1) reduced trade payables, since the Company decreased the purchase of raw materials from abroad in Q2, following the low sales season; 2) the decrease in loans from financial institutions; and 3) lower lease liabilities; and 4) reduced provision for long-term employee benefits.

Equity

- As at 30 June 2023, the Company had equity of THB 1,168.2 million, decreased by THB 15.3 million or 1.3% from THB 1,183.5 million at the end of 2022, mainly resulting from the Company's net profit during 6M/2023 of THB 109.2 million, deducted by dividends paid of THB 124.8 million.