

12 MAY 2023

Subject Management's Discussion and Analysis of the Financial Statement for three months ended 31 March 2023

To Managing Director of The Stock Exchange of Thailand

Enclosure Management's discussion and Analysis of the Financial Statement for three months ended 31 March 2023,

1 set each of Thai and English

Nova Organic Public Company Limited ("NV") and its subsidiaries ("the Group") would like to submit the Company's audited Financial Statement for three months ended 31 March 2023 to The Stock Exchange of Thailand.

The operation results of NV for three months ended 31 March 2023 registered a net profit amounting 2.84 Million Baht. Please see further details in the Management's Discussion and Analysis of the Financial Statement as attached.

Please be informed accordingly.

Best regards,

(Ms. Yupin Chanjuthamard)

Chief Executive Officer

The Management's discussion and Analysis of the Financial Statement for three months ended 31 March 2023

Summary of operating performance

Million baht

	Q1'23		Q1'22		Increase (Decrease)	
Revenue from sales	169.83	100%	211.24	100%	(41.41)	-24%
Cost of sales	92.74	55%	103.69	49%	(10.95)	-12%
Gross profit	77.09	45%	107.55	51%	(30.46)	-40%
Other income	2.38	1%	0.49	0%	1.89	79%
Selling expenses	54.09	32%	90.05	43%	(35.96)	-66%
Administrative expenses	23.70	14%	20.92	10%	2.78	12%
Profit from operating activities	1.68	2%	(2.93)	-1%	4.61	274%
Finance income	0.81	0%	0.34	0%	0.47	58%
Reversal of loss from impairment of assets	2.08	0%	-	0%	2.08	100%
Gain (loss) from sale of assets	-	0%	-	0%	-	0%
Reversal of expected credit loss	-	0%	-	0%	-	0%
Gain (loss) from changing and terminating the lease	-	0%	-	0%	-	0%
Gain(loss) on revaluation of investments	1.04	4%	0.43	2%	0.61	59%
Finance costs	(0.62)	-37%	(0.29)	10%	(0.33)	53%
Profit(loss) before income tax	4.99	3%	(2.45)	-1%	7.44	149%
Tax income (expense)	(2.15)	-1%	0.23	0%	(2.38)	111%
Profit (loss) for the period	2.84	2%	(2.22)	-1%	5.06	178%
Actuarial gains for employee benefit plans	-	0%	-	0%	-	0%
Income taxes relate to items that will not be reclassified subsequently to profit or loss.	-	0%	-	0%	-	0%
Total comprehensive income	2.84	2%	(2.22)	-1%	5.06	178%

operating performance

The Group's total sales revenue for three months ended 31 March 2023 was 169.83 Million Baht, which decreased 41.41 Million Baht or 24 percent from the same period last year. The main reason is the impact of the negative social trend information dissemination of dietary supplements, coupled with the current economic recession. As a result of this, therefore the company reduces the dissemination of advertising media brings to the decreased of sale order quantity of this product.

Gross Profit

Gross Profit for three months ended 31 March 2023 was 77.09 Million Bath, It was decreased 40 percent from the same period last year. Because the production cost of the marketed product group has a high cost. In addition, the company has organized a free product promotion in the sale of a set of products to stimulate consumer purchases. As a result, gross profit has decreased.

Selling Expenses

Selling expenses for the three months ended 31 March 2023 were 54.09 Million Baht. It was decreased 35.96 Million Baht or 66 percent from the same period last year, mainly due to the company cut down the advertising and promotion expenses such as television program broadcast time rent, advertising production cost, actor salary and promotion cost. In line with the current market situation.

Administrative Expenses

Administrative expenses for three months ended 31 March 2023 were 23.70 Million Baht. It was Increase 2.78 Million Baht or 12 percent due to increased depreciation and asset disposal losses

Net Profit

As a result of company policy to cut down selling expenses, The Company has net profit for the for three months ended 31 March 2023 was 2.84 Million Baht, It was Increase of 5.06 Million Baht or equals to 178 percent from the same period last year.

Financial Position

	31 March 2023 Million baht	31 December 2022 Million baht	Increase (Decrease)	% Increase (Decrease)
Total Assets	1,561.95	1,526.16	35.79	2%
Total Liabilities	177.71	144.76	32.95	19%
Shareholders' equity	1,384.24	1,381.40	2.84	0%

Total Assets

Total assets as of 31 March 2023 were 1,561.95 Million Baht. It was Increase 35.79 Million Baht from 31 December 2022 due to the increase in land, buildings, and equipment.

Total Liabilities

Total liabilities as of 31 March 2023 were 177.71 Million Baht, It were increased 32.95 Million Baht from 31 December 2022. Mostly increase from trade account payable and others payable.

Shareholders' equity

Shareholders' equity as of 31 March 2023 was 1,384.24 Million Baht, It were increased 2.84 Million Baht from 31 December 2022. by from the profit for the first quarter of 2023 in the amount of 2.84 million baht.