

November 13, 2020

Managing Director  
Stock Exchange of Thailand

Subject : Management Discussion and Analysis for three month Ending 30 September 2020

	Summary on Third Quarter result	
	Million Baht	
	2020	2019
Sales	1,756.01	1,684.73
Cost of Sales	1,475.46	1,586.07
Gross Margin	280.55	98.66
Gain (loss) on exchange rates	(23.34)	21.83
Other Incomes	27.64	4.97
Total Revenues	1,783.65	1,711.52
Distribution Expense	43.96	50.47
Administrative Expense	59.52	60.31
Finance Costs	20.08	27.51
Net Profit	161.28	(12.84)
Earnings per share (Baht)	0.403	(0.032)

The comparison between Third Quarter of 2020 and 2019

1. Sales Revenue increased by 71.28 million baht or 4.23% from 1,684.73 million baht in 2019 to 1,756.01 million baht in 2020, the main reason for revenue increased were market demand increased, as a result the company has a higher gross margin from the same period last year.
2. Sales cost to revenue ratio decreased by 10.12% (from 94.14% in 2019 to 84.02% in 2020) due to production efficiency control and cost of raw materials has decreased when compared to the same quarter of the last year.
3. Other income increased by 22.67 million baht from 4.97 million baht in 2019 to 27.64 million baht in 2020, other income of the company consists of scrap sales, tax cards income mainly and gain on equipment disposal.
4. Loss from foreign exchange by 23.34 million baht due to an impact from fluctuation of exchange rate.

5. Distribution Expense and Administrative Expense decreased by 7.30 million baht (from 110.78 million baht in 2019 to 103.48 million baht in 2020) because the company has a policy to spend more efficiency.
6. Finance costs it consists of interest expenses and bank fees decreased by 7.43 million baht (from 27.51 million baht in 2019 to 20.08 million baht in 2020) because falling interest rates, the company has a lower loan burden from regular repayments of loans and interest.
7. The performances increased by 174.12 million baht or 1,356.07% (from a loss of 12.84 million baht to the profit of 161.28 million baht) as aforesaid.

Yours Sincerely,

Kittiphat Suthisamphat  
Executive Vice President