

Subject : Management Discussion and Analysis for quarter ended March 31, 2021

Attention : President

The Stock Exchange of Thailand

1. Operating Performance

1.1 Revenues

Consolidated financial statements		(Thousands Baht)		
	1st Quarter		Change	
	2021	2020	Amount	%
Revenue from sales	745,247	626,724	118,523	18.91%
Other income	3,447	4,194	-747	-17.81%
Total Revenue	748,694	630,918	117,776	18.67%

Company total revenue on 1st quarter of year 2021 increased 18.67 percent from the same period of last year. Sale revenue in the first quarter of 2021 increased 18.91 percent from the same period of last year, main attributions are higher sales volume in CNF incoterm, higher selling price and slightly increased in sales volume. Other income on 1st quarter of year 2021 decreased 17.81 percent from the same period of last year, due to decrease in sale of by-products as those by-products are able to reuse in production process.

1.2 Cost of goods sold and expenses

Consolidated financial statements		(Thousands Baht)		
	1st Quarter		Change	
	2021	2020	Amount	%
Cost of goods sold	-483,889	-485,054	1,165	-0.24%
Selling expenses	-110,618	-65,815	-44,803	68.07%
Administrative expenses	-43,608	-38,243	-5,365	14.03%
Finance Costs	-3,751	-4,739	988	-20.85%
Total	-641,866	-593,851	-48,015	8.09%

Cost of goods sold on 1st quarter of 2021 slightly decreased 0.24 percent from the same period of last year, this was caused by slightly decrease in production expenses.

Selling expenses on 1st quarter of 2021 significantly increased 68.07 percent from the same period of last year, due to higher sales volume in CNF incoterm and higher freight prices, resulting in higher freight cost.

Administrative expenses on 1st quarter of 2021 increased 14.03 percent from the same period of last year, due to increase in administrative expenses from the subsidiary company: S.Kleber Chemical Co.,Ltd., which is in the process of test run.

Financial cost on 1st quarter of 2021 significantly decreased 20.85 percent from the same period of last year, mainly due to bank interest rate reduction and long-term loans repayment.

As a result, cost of goods sold and expenses on 1st quarter of 2021 slightly increased 8.09 percent from the same period of last year.

1.3 Profit

Consolidated financial statements		(Thousands Baht)		
	1st Quarter		Change	
	2021	2020	Amount	%
Gross profit	261,358	141,670	119,688	84.48%
Profit before income tax	106,828	37,067	69,761	188.20%
Net profit for period	86,496	30,286	56,210	185.60%

From revenues, cost of goods sold and expenses factors, company profit before income tax of 1st quarter 2021 was 107 million baht increased 188.20 percent and net profit of 1st quarter ended March 31, 2021 was 86 million baht increased 185.60 percent from the same period of last year.

Sincerely Yours,

(Ms.Orawan Sangwongkit)

Chief Financial Officer