

บริษัท นิวพลัสไนติ้ง จำกัด (มหาชน)
NEW PLUS KNITTING PUBLIC COMPANY LIMITED

August 10, 2021

Subject : Management Discussion and Analysis Quarter 2 Ending 30-June-2021

To : The Managing Director the Stock Exchange of Thailand.

New Plus Knitting Public Company Limited would like to clarify the operating results for second quarter 2021. The details are as follows:

Consolidated Operating Results For second quarter 2021 (Three months)

Revenues

The revenue from the sale of goods and rendering services totaled 36.15 million baht, which was increased by 17.31 million baht or 91.84% compared to the same last year. The details are as follows:

Revenues from sales knitting process 25.26 million baht increased by 18.32 million baht or 264.08%

Revenues from sales Fabric process 10.77 million baht decreased by 1.03 million baht or 8.69%

Revenues from the rendering services and rent 0.12 million baht increased by 0.01 million baht or 8.93%

Increased sales due to the year 2020 The company announced temporary closure (partial) due to the impact of the 2019 coronavirus(COVID-19) epidemic situation. As a result, sales increased compared to the same period last year.

Cost of sales and services

The cost of sales and service totaled 34.97 million baht, which was increased 12.96 million baht or 58.87% compared to the same last year. The details are as follows:

Cost of sales knitting process 25.06 million baht increased by 13.41 million baht or 115.12%

Cost of sales Fabric process 9.10 million baht decreased by 0.45 million baht or 4.37%

The increase in cost of sales is less than the rate of increase in sales. Due to control of production costs, but still have fixed costs related to labor cost and employee expenses at a rate of 18.95%.

Gross Loss

The gross loss totaled 1.18 million baht, which was loss increased 4.35 million baht or 137.29% compared to the same last year.

Other income

Other income 0.61 million baht ,which was decreased 0.01 million baht or 1.57% compared to the same last year.As a result, Gain on exchange rate decreased 0.16 million baht and Doubtful accounts reversal increased 0.19 million baht.

Expenses

The expenses totaled 6.29 million baht, which was increased 0.32 million baht or 5.40% compared to the same last year. The details are as follows:

Selling expenses 0.08 million baht increased by 0.05 million baht or 162.79%

Administrative expenses 3.99 million baht increased by 0.80 million baht or 25.13%

Management benefit expenses 1.21 million baht increased by 0.33 million baht or 38.08%

Loss on exchange rates increased by 0.30 million baht or 100%

Expected credit losses decreased by 1.12 million baht or 100%

Loss on obsolete goods 0.70 million baht decreased by 0.04 million baht or 5.87%

Finance costs

The finance costs 0.20 million baht, which was increased 0.09 million baht or 81.55% compared to the same last year.

บริษัท นิวพลัสนิติ้ง จำกัด (มหาชน)

NEW PLUS KNITTING PUBLIC COMPANY LIMITED

Loss before income tax and net Loss

The Loss before income tax 4.70 million baht which was loss decreased 3.93 million baht or 45.54% and Income tax expenses 0.01 million baht which was increased 1.67 million baht or 100.90% and net loss 4.71 million baht which was loss decreased 2.26 million baht or 32.43% compared to the same last year.

Sales increased by 17.31 million baht due to the year 2020 The company announced the temporary closure of business (partially) due to the epidemic situation of the coronavirus disease 2019 and has continued impact in 2021 even though the company No business interruption, but sales have not recovered as a new wave of the epidemic prompted the government to announce a series of lockdown measures.. As a result, customers slow down orders and consumers have less demand for textile products as well. As a result, the management has continually monitored and monitored the situation.

Consolidated Operating Results For second quarter 2021 (six months)

Revenues

The revenue from the sale of goods and rendering services totaled 86.80 million baht, which was decreased by 13.21 million baht or 13.21% compared to the same last year. The details are as follows:

Revenues from sales knitting process 64.88 million baht decreased by 4.84 million baht or 6.94%

Revenues from sales Fabric process 21.67 million baht decreased by 8.23 million baht or 27.53%

Revenues from the rendering services and rent 0.24 million baht decreased by 0.14 million baht or 36.62%

Sales declined due to the continued severity of the coronavirus disease 2019 epidemic. As a result, customers delayed their purchases and the market condition of textile products decreased.

Cost of sales and services

The cost of sales and service totaled 76.51 million baht, which was decreased 8.98 million baht or 10.51% compared to the same last year. The details are as follows:

Cost of sales knitting process 57.90 million baht decreased by 3.54 million baht or 5.77%

Cost of sales Fabric process 18.60 million baht decreased by 5.44 million baht or 22.61%

The cost of sales was lower than the reduction in sales due to the labor and personnel expenses of 25.23%.

Gross Profit

The gross profit total 10.29 million baht, which was decreased 4.23 million baht or 29.13% compared to the same last year.

Other income

The other income total 0.84 million baht, which was increased 0.10 million baht or 13.04% compared to the same last year. As a result, Doubtful accounts reversal increased 0.19 million baht, Unrealized Gain on current investments decreased 0.11 million baht .

Expenses

The expenses totaled 12.95 million baht, which was decreased 3.45 million baht or 21.01% compared to the same last year. The details are as follows:

Selling expenses 0.15 million baht increased by 0.01 million baht or 8.95%

Administrative expenses 8.04 million baht decreased by 0.89 million baht or 9.93%

Management benefit expenses 2.56 million baht decreased by 0.13 million baht or 4.87%

Loss on exchange rates 0.86 million baht increased by 0.39 million baht or 82.80%

Expected credit losses decreased by 2.86 million baht or 100%

Loss on obsolete goods 1.34 million baht increased by 0.03 million baht or 2.46%

บริษัท นิวพลัสไนติ้ง จำกัด (มหาชน)

NEW PLUS KNITTING PUBLIC COMPANY LIMITED

Finance costs

The finance costs 0.34 million baht, which was increased 0.06 million baht or 19.87% compared to the same last year.

Loss before income tax and net Loss

The Loss before income tax 2.17 million baht which was loss increased 0.74 million baht or 52.34% and Income tax expenses 0.10 million baht which was decreased 0.07 million baht or 41.96% and net loss 2.27 million baht which was loss increased 0.67 million baht or 41.96% compared to the same last year.

Sales decreased by 13.21 million baht due to the epidemic situation of the Coronavirus Disease 2019 which had a continuous impact in the second quarter of 2021. Although the company has not stopped operations, but sales have not recovered as a new wave of the epidemic causing the government has announce continuous lockdown measures. As a result, customers slow down their purchases and consumers have less demand for textile products. As a result, the management has continually monitored and monitored the situation.

Consolidated Financial Statements

As of 30 June 2021, the company's financial position was as follows:-

Assets

The assets total 494.89 million baht, which was increased 4.76 million baht or 0.97% compared to 2020. The details are as follows:

- 1) Total current assets 207.25 million baht increased 10.57 or 5.38% :-
 - Cash and cash equivalents increased 12.67 million baht
 - Trade and other receivables decreased 21.04 million baht in proportion to the decrease in sales.
 - Inventories increased 17.68 million baht
 - Other current increased 0.05 million baht unrealized gains on investments
 - Other current assets increased 1.21 million baht
- 2) Total non-current assets 287.64 million baht decreased 5.82 million baht or 1.98% :-
 - Other non-current financial assets decreased 1.85 million baht from the change in fair value of securities.
 - Property plant and equipment decreased 5.98 million baht from the depreciation.
 - Right-of-use assets-buildings increased 1.38 million results of compliance with TFRS 16
 - Intangible assets decreased 0.004 million baht from the amortization of assets.
 - Deferred tax assets increased 0.63 million baht .

บริษัท นิวพลัสนิติ้ง จำกัด (มหาชน)

NEW PLUS KNITTING PUBLIC COMPANY LIMITED

Liabilities and shareholders' equity

Total liabilities 63.03 million which was increased 9.51 million baht or 17.76% compared to 2020. The details are as follows:

- 1) Total current liabilities 28.15 million baht which was increased 8.76 million baht or 45.20% :-
 - Bank overdrafts and short-term loans from financial institutions increased 9.24 million baht.
 - Trade and other payables decreased 1.44 million baht.
 - Current portion of assets payables decreased 0.30 million baht.
 - Current portion of lease liability increased 1.39 million baht. Results of compliance with TFRS 16
 - Accrued income tax increased 0.12 million baht.
 - Other current liabilities decreased 0.26 million baht.

- 2) Total non-current liabilities 34.89 million baht which was increased 0.75 million or 2.19%
 - Assets payables decreased 0.06 million baht.
 - Provisions for employee benefit increased 0.81 million baht.

Total shareholders' equity 431.86 million baht which was decreased 4.75 million baht or 1.09% compared to 2020. As a result of operating .

Summary Financial Information: Consolidated Financial Statements

Items	Unit	Jun 30,21	Jun 30,20
<u>Operating results:-</u>			
Revenues from sales and services	million	86.56	99.63
Other incomes		0.24	0.38
Total revenues from sales and services		86.80	100.01
Net profit (loss)		(2.27)	(1.60)
<u>Financial position:-</u>			
Total assets	million	494.89	486.00
Total liabilities		63.03	61.83
Total shareholders' equity		431.86	424.17
<u>Financial ratio:-</u>			
Liquidity ratio	Time	7.36	6.90
Net profit margin	%	(2.61)	(1.60)
Return on equity	%	(0.53)	(0.38)
Return on asset	%	(0.46)	(0.33)
Debt to equity ratio	Time	0.15	0.15
Interest Coverage ratio	Time	(5.37)	(4.01)

บริษัท นิวพลัสนิติ้ง จำกัด (มหาชน)
NEW PLUS KNITTING PUBLIC COMPANY LIMITED

Results of operations Separate financial statements For the second quarter of 2021 (three months)

Revenues

The revenue from the sale of goods and rendering services totaled 27.59 million baht, which was increased by 12.92 million baht or 88.06% compared to the same last year. The details are as follows:

Revenues from sales knitting process 11.21 million baht increased by 7.09 million baht or 172.06%

Revenues from sales Fabric process 8.94 million baht decreased by 1.26 million baht or 12.32%

Revenue from the sale of raw materials 7.27 million baht increased by 7.08 million baht or 3,769.41%

Revenues from the rendering services and rent 0.18 million baht increased by 0.01 million baht or 5.91%

Increased sales due to the year 2020 The company announced temporary closure (partial) due to the impact of the 2019 coronavirus(COVID-19) epidemic situation. As a result, sales increased compared to the same period last year.

Cost of sales and services

The cost of sales and service totaled 29.67 million baht, which was increased 12.14 million baht or 69.10% compared to the same last year. The details are as follows:

Cost of sales knitting process 13.12 million baht increased by 6.03 million baht or 85.04%

Cost of sales Fabric process 9.46 million baht decreased by 0.83 million baht or 8.06%

Cost of sale of raw materials 7.12 million baht increased by 6.94 million baht or 3,769.39%

The increase in cost of sales is less than the rate of increase in sales. Due to control of production costs, but still have fixed costs related to labor cost and employee expenses at a rate of 19.11%.

Gross Loss

The gross loss totalled 2.11 million baht, which was loss decreased 0.78 million baht or 27.13% compared to the same last year.

Other income

The other income totalled 0.63 million baht, which was increased 0.17 million baht or 37.43% compared to the same last year. As a result, Gain on exchange rate decreased 0.14 million baht , Doubtful accounts reversal increased 0.26 million baht.

Expenses

The expenses totalled 5.03 million baht, which was increased 0.47 million baht or 10.29% compared to the same last year. The details are as follows:

Selling expenses 0.03 million baht increased by 0.01 million baht or 44.91%

Administrative expenses 3.08 million baht increased by 0.50 million baht or 19.15%

Management benefit expenses 1.01 million baht increased by 0.23 million baht or 29.32%

Loss on exchange rates increased by 0.30 million baht or 100%

Expected credit losses decreased by 0.64 million baht or 100%

Loss on obsolete goods 0.61 million baht increased by 0.07 million baht or 13.05%

Finance costs

The finance costs 0.19 million baht, which was increased 0.09 million baht or 84.90% compared to the same last year.

Loss before income tax and net loss

The loss before income tax 6.71 million baht which was loss decreased 0.40 million baht or 5.57% and Income tax expenses 0.10 million baht which was decreased 1.28 million baht or 92.58% and net loss 6.61 million baht which was loss increased 0.88 million baht or 15.50% compared to the same last year.

บริษัท นิวพลัสไนติ้ง จำกัด (มหาชน)

NEW PLUS KNITTING PUBLIC COMPANY LIMITED

Sales increased by 12.92 million baht due to the year 2020 The company announced the temporary closure of business (partially) due to the epidemic situation of the coronavirus disease 2019 and has continued impact in 2021 even though the company No business interruption, but sales have not recovered as a new wave of the epidemic prompted the government to announce a series of lockdown measures.. As a result, customers slow down orders and consumers have less demand for textile products as well. As a result, the management has continually monitored and monitored the situation.

Results of operations Separate financial statements For the second quarter of 2021 (six months)

Revenues

The revenue from the sale of goods and rendering services totaled 66.32 million baht, which was decreased by 13.51 million baht or 16.93% compared to the same last year. The details are as follows:

Revenues from sales knitting process 32.43 million baht decreased by 7.00 million baht or 17.76%

Revenues from sales Fabric process 17.54 million baht decreased by 8.48 million baht or 32.58%

Revenue from the sale of raw materials 15.99 million baht increased by 2.11 million baht or 15.15%

Revenues from the rendering services and rent 0.35 million baht decreased by 0.14 million baht or 28.23%

Sales decreased due to the impact of the Coronavirus disease 2019. As a result, customers delay ordering and the market condition of textile products decreased.

Cost of sales and services

The cost of sales and service totaled 64.75 million baht, which was decreased 7.54 million baht or 10.43% compared to the same last year. The details are as follows:

Cost of sales knitting process 32.24 million baht decreased by 4.18 million baht or 11.47%

Cost of sales Fabric process 16.83 million baht decreased by 5.43 million baht or 24.38%

Cost of sale of raw materials 15.68 million baht increased by 2.06 million baht or 15.15%

The cost of sales was lower than the reduction in sales due to the labor and personnel expenses of 25.94%.

Gross Profit

The gross profit totalled 1.57 million baht, which was decreased 5.97 million baht or 79.21% compared to the same last year.

Other income

The other income totaled 0.74 million baht, which was increased 0.26 million baht or 53.14% compared to the same last year. As a result, Doubtful accounts reversal increased 0.26 million baht.

Expenses

The expenses totaled 10.50 million baht, which was decreased 2.87 million baht or 21.47% compared to the same last year. The details are as follows:

Selling expenses 0.04 million baht decreased by 0.04 million baht or 48.83%

Administrative expenses 6.22 million baht decreased by 0.89 million baht or 12.58%

Management benefit expenses 2.13 million baht decreased by 0.15 million baht or 6.76%

Loss on exchange rates 0.84 million baht increased by 0.38 million baht or 84.40%

Expected credit losses decreased by 2.34 million baht or 100%

Loss on obsolete goods 1.27 million baht increased by 0.18 million baht or 16.12%

Finance costs

The finance costs 0.33 million baht, which was increased 0.07 million baht or 25.70% compared to the same last year.

บริษัท นิวพลัสไนติ้ง จำกัด (มหาชน)

NEW PLUS KNITTING PUBLIC COMPANY LIMITED

Loss before income tax and net Loss

The loss before income tax 8.53 million baht which was loss increased 2.91 million baht or 51.85% and Income tax expenses 0.31 million baht which was decreased 0.51 million baht or 62.20% and net loss 8.22 million baht which was loss increased 3.42 million baht or 71.28% compared to the same last year.

Sales decreased by 13.51 million baht due to the epidemic situation of the Coronavirus Disease 2019 which had a continuous impact in the second quarter of 2021. Although the company has not stopped operations, but sales have not recovered as a new wave of the epidemic causing the government has announce continuous lockdown measures. As a result, customers slow down their purchases and consumers have less demand for textile products. As a result, the management has continually monitored and monitored the situation.

Separate financial statements

As of 30 June 2021, the company's financial position was as follows:-

Assets

The assets total 396.00 million baht, which was increased 0.42 million baht or 0.11% compared to 2020. The details are as follows:

- 1) Total current assets 142.35 million baht increased 4.63 or 3.36% :-
 - Cash and cash equivalents increased 4.81 million baht
 - Trade and other receivables decreased 17.74 million baht
 - Inventories increased 16.57 million baht
 - Other current increased 0.01 million baht unrealized gains on investments
 - Other current assets increased 0.97 million baht
- 2) Total non-current assets 253.65 million baht decreased 4.20 million baht or 1.63% :-
 - Other non-current financial assets decreased 1.85 million baht from change in fair value of securities.
 - Property plant and equipment decreased 4.41 million baht from the depreciation.
 - Right-of-use assets-buildings increased 1.38 million results of compliance with TFRS 16
 - Intangible assets decreased 0.004 million baht from the amortization of assets.
 - Deferred tax assets increased 0.68 million baht.

Liabilities and shareholders' equity

Total liabilities 52.90 million which was increased 11.12 million baht or 26.62% compared to 2020. The details are as follows:

- 1) Total current liabilities 22.56 million baht which was increased 10.52 million baht or 87.33% :-

บริษัท นิวพลัสไนติ้ง จำกัด (มหาชน)
NEW PLUS KNITTING PUBLIC COMPANY LIMITED

- Bank overdrafts and short-term loans from financial institutions increased 9.82 million baht.
- Trade and other payables decreased 0.26 million baht.
- Current portion of assets payables decreased 0.30 million baht.
- Current portion of lease liability increased 1.39 million baht. Results of compliance with TFRS 16
- Other current liabilities decreased 0.14 million baht..

2) Total non-current liabilities 30.34 million baht which was increased 0.61 million or 2.04%

- Assets payable decreased 0.06million baht.
- Provisions for employee benefit increased 0.67 million baht.

Total shareholders' equity 343.10million baht which was decreased 10.70 million baht or 3.02% compared to 2020. As a result of operating.

Summary Financial Information: Separate financial statements

Items	Unit	Jun 30,21	Jun 30,20
<u>Operating results:-</u>			
Revenues from sales and services	million	65.96	79.34
Other incomes		0.35	0.49
Total revenues from sales and services		66.32	79.83
Net Loss		(8.22)	(4.80)
Items	Unit	Jun 30,21	Jun 30,20
<u>Financial position:-</u>			
Total assets	million	396.00	395.77
Total liabilities		52.90	48.46
Total shareholders' equity		343.10	347.31
<u>Financial ratio:-</u>			
Liquidity ratio	Time	6.31	7.23
Net profit margin	%	(12.39)	(6.01)
Return on equity	%	(2.40)	(1.38)
Return on asset	%	(2.08)	(1.21)
Debt to equity ratio	Time	0.15	0.14
Interest Coverage ratio	Time	(24.66)	(20.24)

Please kindly inform our shareholders.

Yours Sincerely,

(Mrs.Orasa Kruthakool)
Director

(Miss Onuma Fuakfon)
Director