



## Arrow Syndicate Public Company Limited

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(Translation)

August 11, 2021

Subject: Clarification for operation performance 3 months ended June 30, 2021  
Attention: The President of  
The Stock Exchange of Thailand

Arrow Syndicate Public Company Limited ("Company") would like to report its financial results for 6 months, which ended on June 30, 2021 with the profit of Baht 96.54 million increased of Baht 4.07 million or increased 4.40% compared to the same period of previous year which reported the profit was Baht 92.47 million due to the following reasons.

1. The company had sales and services revenue decreased of Baht 106.91 Million or decreased 15.65 % compared to the same period of previous year mostly from revenue decrease of its subsidiaries due to the postpone order of its clients.
2. The gross profit from sales and services had decreased of Baht 1.80 Million due to the decrease of sales and services but the gross profit ratio decrease of 0.89 % compared to the same period of previous year from several reasons such as,
  - The raw material price in global market increased in significantly high since the 2H of 2020 to the present. The company considered to increase the sell target to maintain production efficiency.
  - The gross profit and gross profit margin decrease less than the decrease of revenue due to adjusted products sell price to maintain net profit margin at the competitiveness level.
  - Sales and services of its subsidiaries also increased. The Company put efforts for cost control to maintain the cost target.
3. Other revenue increase by Baht 2.78 Million or increase 32.47% compared to the same period of previous year from the refund of duty on imports of raw material and revenue from sell material scrap.
4. Distribution Cost decreased of Baht 2.70 Million or decreased 11.01% compared to the same period of previous year mostly relate with delivery expenses on sale including the decreased of fuel expenses.
5. The administrative expenses increased of Baht 2.62 Million or increased 4.60% compared to the same period of previous year due to the increased of administrative expenses of its subsidiaries from bad debt, doubtful debt, the decreased of reserve for share-based payments of Employee Stock Ownership Program of the Company, and the increased of depreciation due to new assets investment.
6. Financial cost – interest expense decreased of Baht 0.50 Million or decreased 12.56% compared to the same period of previous year. The Company had repay credit facilities from the financial institutions therefore the reduced of interest expenses. However, the Company had financial strength and have ability to pay interest and debt.
7. Corporate income tax decrease of Baht 3.83 Million or decreased 11.94% due to the amount for tax calculation less than same period of previous year.

Please be informed accordingly,

Sincerely yours,

(Mr. Tanin Tanprawot)

Managing Director