



August 13, 2021

To: Director and Manager

The Stock Exchange of Thailand

Subject: Management discussion and analysis for Q2/2021 (Translation from Thai version)

We, Thai O.P.P. Public Company Limited (the "Company") would like to submit the interim financial statements for the second quarter and for six-month period ended June 30, 2021 compare with the same period last year.

The operating result of our company in the second quarter of year 2021 in the financial statements in which the equity method is applied statement of income, there was Baht 19.89 million of net profit, when compare to the last year same period's net profit which were Baht 48.81 million, it was decreasing Baht 28.92 million or 59.3%, it had differentiated more than 20%. Therefore, the Company would like to provide clarifications for the major changes as below.

The revenue from sales decreased, the main caused due to Sticker business segment decreased in this period amount Baht 45.81 million or 34.0% from amount Baht 134.63 million in second quarter of last year to amount Baht 88.82 million in second quarter of this year decrease due to the situation. The spread of the COVID-19 virus in the first wave of last year consumers have a large demand for antiseptic products. As a result, there are many orders for adhesive labels for this group of products. especially during the first half of the last year. Later, there are more manufacturers of this group of products, giving consumers more choices, resulting in lower sales of customers. As a result, such orders began to decrease gradually. As a result, the company's sales decreased accordingly. Due to the massive decline in sales this year, the gross profit has dropped significantly. The gross profit decreased in this period amount Baht 27.02 million or 61.7 %.

The film business segment has revenue from sales increased in this period amount Baht 24.87 million or 9.8% from the second quarter of the last year amount Baht 253.96 million to amount Baht 278.83 million in the second quarter of this year, as a result of the increase in raw material costs according to the market price must adjust the selling price accordingly. As a result, gross profit decreased amount Baht 6.72 million or 19.7%.

Other income increased amount Baht 2.06 million or 68.9 % from the second quarter of last year amount Baht 2.99 million to amount Baht 5.05 million in the second quarter of this year, mainly due to revenue from the sale scrap of film increased, because the selling price has increased according to the market price.

Income tax expenses decreased amount Baht 3.13 million from the second quarter of the last year amount Baht 3.76 million to amount Baht 0.63 million in the second quarter of this year, as a result of the profit of operating decreased.

The other transactions has the insignificant changing.

Please be informed accordingly.

Yours faithfully,

Suthee Limatibul
Managing Director

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