

Management Discussion and Analysis Q3/2021

IHL's Consolidated Performance

	Q3/2021 (MB.)	% Y-o-Y	% Q-o-Q
Revenue from Sales and Services	386.34	8.57	(4.20)
Total Revenue	389.25	8.76	(4.30)
Gross Profit	87.38	197.11	24.76
EBITDA	116.61	121.21	25.89
Net Profit	40.75	344.16	118.97

In Q3/2021, Revenue from Sales and Services was Baht 386.34 Million, 8.57% increased y-o-y mainly from Automotive Business, Shoes Business and Furniture Business, and 4.20% decreased q-o-q mainly from Automotive.

Gross profit was recorded at Baht 87.38 Million, 197.11% increased y-o-y, and 24.76% increased q-o-q.

Gross profit margin was 22.62%, increased compared with 17.37% in the previous period. Compared to the same quarter of the previous year, the gross profit margin also increased from 8.26% to 22.62%, mainly due to more efficient cost control.

EBITDA was Baht 116.61 Million, increased 25.89% q-o-q, and increased 121.21% y-o-y.

Selling and administrative expense was recorded at Baht 36.27 Million, Baht 6.81 Million decreased y-o-y mainly due to in the past year, the Company recorded Unrealized Loss on Fair Value of Derivatives of ISDA Agreement to swap the interest rate from floating rate to fixed rate, and loss on foreign exchange.

In Q3/2021, the Company's financial expenses recorded Baht 13.29 Million.

In Q3/2021 the net profit was Baht 40.75 Million or 10.55% compared to Revenue from Sales and Services. The operating result was improved by Baht 24.14 Million compared to the previous quarter.

Financial Position

	Sep. 2021 (MB.)	Dec. 2020 (MB.)	Sep. 2020 (MB.)
Total Asset	3,755.28	3,643.44	3,653.74
Current Asset			
Cash and Cash Equivalents	9.23	6.14	21.96
Trade and Other Receivables	193.66	171.93	137.88
Inventories	1,128.82	968.52	1,004.49
Property, Plant and Equipment - Net	2,297.96	2,365.61	2,380.94
Total Liabilities	2,172.47	2,106.17	2,122.58
Short-term Loans from Financial Institutions	1,115.43	958.34	1,184.84
Trade and Other Payables	198.45	209.37	176.98
Long-term Loans	773.62	835.16	666.44
Total Shareholders' Equity	1,582.82	1,537.26	1,530.86

As of Sep 30, 2021, total asset was recorded at Baht 3,755.28 Million, increased Baht 111.84 Million. Account Receivables was Baht 193.66 Million or 5.16% of total asset, increased by Baht 21.73 Million as compared with last year. Inventory was Baht 1,128.82 Million, or accounted 30.06% of total asset.

Property, Plant and Equipment in this period was registered at Baht 2,297.96 Million, or 61.19% of total asset, decreased Baht 67.65 Million compared to then last year. Due to the Company's investment in machinery Building improvement was Baht 110.55 Million, but the depreciation was recognized at Baht 185.05 Million

Short-term loan from financial institutes increased from Baht 958.35 Million in year 2020 to Baht 1,115.43 Million in Q3/2021, increased by Baht 157.08 Million.

Long-term Loan decreased from Baht 773.62 Million in year 2020 to Baht 773.62 Million, decreased by Baht 61.54 Million mainly due to the scheduled repayment.

In September 2021, the Company paid dividends to shareholders at the rate of 0.10 Baht/share or equal to Baht 59.28 Million. As of September 30, 2021, the unappropriated retained earnings were 450.91 million baht.

Financial Ratio

	Q3/2021	Dec 2020	Q3/2020
Current Ratio (times)	0.83	0.84	0.77
Quick Ratio (times)	0.12	0.12	0.10
ISCR (times)	8.20	5.15	4.21
DSCR (times)	1.17	0.94	1.01
Net Debt to EBITDA (times)	4.97	7.85	9.93
Debt to Equity (times)	1.37	1.37	1.39
Gross Profit Margin (%)	19.96	12.50	9.93
EBITDA Margin (%)	26.74	20.11	18.23
Net Profit Margin (%)	8.55	(3.32)	(6.11)
ROE (%)	8.96	(2.79)	(4.51)

Your faithfully

(Ms. Kunvarin Veeraphuttivate)

Deputy Managing Director