

Subject : Management Discussion and Analysis for year and 4th quarter ended December 31, 2021

Attention : President

The Stock Exchange of Thailand

1. Operating Performance

1.1 Revenues

Consolidated financial statements							(Thousands Baht)	
	Year		Change		4 th Quarter		Change	
	2021	2020	Amount	%	2021	2020	Amount	%
Revenue from sales	4,180,402	2,466,932	1,713,470	69.46%	1,605,106	654,331	950,775	145.30%
Other income	12,044	12,176	-132	-1.08%	2,927	2,134	793	37.16%
Total Revenue	4,192,446	2,479,108	1,713,338	69.11%	1,608,033	656,465	951,568	144.95%

Company total revenue for the year and the 4th quarter of 2021 significantly increased 69.11 and 144.95 percent from the same period of last year. Sale revenue on year and 4th quarter of 2021 significantly increased 69.46 and 145.30 percent from the same period of last year, main attributions are increased in sales volume, higher selling price and higher sales volume in CFR incoterm. Other income in the year of 2021 slightly decreased 1.08 percent from the same period of last year, due to a decrease in sale of by-products as those by-products are able to reuse in production process. And other income on 4th quarter of 2021 increased from the same period of last year, mainly due to sale of subsidiary's leftovers supplies.

1.2 Cost of goods sold and expenses

Consolidated financial statements							(Thousands Baht)	
	Year		Change		4 th Quarter		Change	
	2021	2020	Amount	%	2021	2020	Amount	%
Cost of goods sold	-2,331,435	-1,878,761	-452,674	24.09%	-851,685	-508,951	-342,734	67.34%
Selling expenses	-792,462	-312,232	-480,230	153.81%	-355,959	-93,643	-262,316	280.12%
Administrative expenses	-166,682	-89,503	-77,179	86.23%	-36,750	-10,120	-26,630	263.14%
Finance Costs	-11,788	-14,236	2,448	-17.20%	-1,885	-1,776	-109	6.14%
Total	-3,302,367	-2,294,732	-1,007,635	43.91%	-1,246,279	-614,490	-631,789	102.82%

Cost of goods sold for the year and the 4th quarter of 2021 increased 24.09 and 67.34 percent from the same period of last year, mainly due to increase in sales volume and the price of main raw material has increased.

Selling expenses for the year and 4th quarter of 2021 significantly increased 153.81 and 280.12 percent from the same period of last year, due to higher sales volume in CFR incoterm and higher freight prices, resulting in higher freight cost.

Administrative expenses for year and 4th quarter of 2021 significantly increased 86.23 and 263.14 percent from the same period of last year, The main reason is from loss from exchange rate and increase in estimated employee compensation. As a result, administrative expenses increased significantly.

Financial cost for the year of 2021 slightly decreased 17.20 percent from the same period of last year, mainly due to bank interest rate reduction and long-term loans repayment. And the 4th quarter of 2021 slightly increased by 6.14 percent from the same period of last year, since the subsidiary company has started commercial run, the interest expense is regarded as financial cost.

As a result, cost of goods sold and expenses for the year and 4th quarter of 2021 significantly increased 43.91 and 102.82 percent from the same period of last year.

1.3 Profit

Consolidated financial statements							(Thousands Baht)	
	Year		Change		4 th Quarter		Change	
	2021	2020	Amount	%	2021	2020	Amount	%
Gross profit	1,848,967	588,171	1,260,796	214.36%	753,421	145,380	608,041	418.24%
Profit before income tax	890,079	184,375	705,704	382.75%	361,754	41,975	319,779	761.83%
Net profit for period	776,684	163,083	613,601	376.25%	316,027	37,652	278,375	739.34%

From revenues, cost of goods sold and expenses factors, company profit before income tax for the year and 4th quarter of 2021 was 890.08 and 361.75 million baht increased 382.75 and 761.83 percent and net profit for the year and 4th quarter ended December 31, 2021 was 776.68 and 316.03 million baht increased 376.25 and 739.34 percent from the same period of last year.

Sincerely Yours,

(Ms.Orawan Sangwongkit)

Chief Financial Officer