

(Translation)

February 23, 2022

Subject: Clarification for operation performance ended December 31, 2021
Attention: The President of
The Stock Exchange of Thailand

Arrow Syndicate Public Company Limited ("Company") would like to report its financial results for the year, which ended on December 31, 2021 with the profit of Baht 128.74 million decreased of Baht 29.74 million or decreased 18.77% compared to the same period of previous year which reported the profit was Baht 158.48 million due to the following reasons.

1. The company had sales and services revenue decreased of Baht 229.13 Million or decreased 17.71% compared to the same period of previous year due to the postpone order of the Company' clients.
2. The gross profit from sales and services had decreased by Baht 40.54 Million or a decrease of 11.02% corresponds to the decrease in sale and services income compared to the same period of the previous year for several reasons such,
 - 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 10.29 Million or increase 70.29% 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 7.45 Million or decreased 15.29% compared to the same period of previous year. This was mainly due to shipping costs which were in line with decreased sales.
5. The administrative expenses increased of Baht 35.57 Million or increased 36.54% compared to the same period of previous year due to the increased of bad debt, doubtful debt, the increased of new assets depreciation and the decreased of reserve for share-based payments of Employee Stock Ownership Program of the Company.
6. Financial cost – interest expense decreased of Baht 1.29 Million or decreased 16.35% 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 12.67 Million or decreased 23.44% due to the reduction of the profit from operation.

Please be informed accordingly,

Sincerely yours,



(Mr.Tanin Tanprawat)

Managing Director