

25 February, 2022

The Director and Manager

The Stock Exchange of Thailand

93 Rachadapisek Road

Dindaeng, Dindaeng, Bangkok

Dear Sir:-

Subject: Management's Discussion and Analysis of Financial Results for the Year 2021

The company would like to report the company operating results for year 2021 as follows:-

1. Business Overview

For 2021, the product demand in Thailand has increased compared to the previous year due to an economic began to get better. The market competition was such reduced as a result of the raw material price sharp rising compared with the previous year.

1.1 For 2021, the company's revenue from sales amounted to Baht 2,134.60 million, representing an increase of Baht 491.60 million, equivalent to 29.92% compared to 2020.

The increase in sales resulted from price increased but the sales volume decreased slightly. The main driven factor for the sale price increased is mainly from the raw material price increased. The proportion of sales: 82.99% came from domestic and 17.01% came from export.

1.2 Costs of goods sold in 2021 amounted to Baht 1,859.16 million, increased Baht 304.56 million or 19.59% from the previous year. This was mainly from the price of raw material increased from the previous year.

1.3 The net profit in 2021 totaled Baht 154.14 million, increased Baht 167.00 million or 1,298.60% from the previous year. Profit increased due to profit from normal operating activities increased, which was a result of higher selling prices from the previous year due to the price of raw material increased and the reduction of market competition.

1.4 The operating expenses amounted of Baht 153.00 million, an increase of Baht 32.71 million or 27.19% compared to 2020, mainly due to the employee expenses and freight charges increased.

1.5 Financial costs in 2021 amounted of Baht 10.83 million, an increase of Baht 8.88 million or 455.38% from the financial costs of trust receipts and right-of-use assets.

2. The Financial Position

2.1 Assets as at 31 December 2021, the total assets are worth Baht 2,341.40 million, representing an increase of Baht 409.98 million or 21.23% from 31 December 2020. This main reason was the increase of trade receivable and inventories. The trade accounts receivable increased from sales increased and inventories increased from both volume and price.

2.2 Liabilities as at 31 December 2021, the total liabilities are Baht 781.00 million, an increase of Baht 333.89 million baht or 74.68% from the previous year. The reason was the increase of trust receipts from the raw material imported at the end of the year 2021 while lease liability, trade and other payables decreased from debt repayment.

2.3 Debt to Equity Ratio

As at 31 December 2021, the company's debt to equity ratio was 0.50, up from the previous year due to an increase in trust receipt.

Yours faithfully,

(Mr.Akamin Nganthavee)

Managing Director