



May 10, 2022

Re : Management Discussion and Analysis Quarter 1 Ending 31 March 2022

To : Director and Manager of the Stock Exchange of Thailand

Revenue from Sale of Goods and Rendering of Services.

The company has revenue from sale of goods and rendering of services 804 million Baht, increased 249 million Baht from a year earlier or increased by 45%, due to the increase of Project Sales by 99 million Baht or increased by 33%, the increase of Wholesale/Retail Sales by 13 million Baht or increased by 9%, and the Increase of Overseas Sales by 137 million Baht or increased by 121%. The increase of Project Sales and the increase of Wholesale/Retail Sales due essentially to more and more companies are able to adapt themselves to operate business under the widespread a COVID-19 pandemic environment, and have started to renovate and expand their business. During the quarter, the company had revenue from the sale of goods, the deliveries of which were postponed from last year to this quarter. With regard to the Overseas Sales, the revenue from sale of goods to the American market had increased by 154 million Bahts or increased by 164%.

Profit for The Quarter

The company had recorded a net profit of 9.6 million Baht for this quarter, as opposed to the net loss of 2.8 million Baht a year earlier, represented an improvement of 12.4 million Bahts or improved by 443% due to :

- Gross Profit and Other Income increased by 57.4 million Baht or increased by 35%, is a result of the increased sales, but the gross profit margins was decreased from 28.6% in year 2021 to 24.6% in year 2022, due primarily to higher product costs resulted from the adverse raw materials and logistics costs, while the company is unable to increase the selling prices for most projects as they are fixed in the sale contracts.. In addition, the products sold in this quarter had unfavorable product mix, less higher margins products, and more lower margins products were sold in this quarter.
- Marketing and Administrative Expenses including Interest Expense increased by 45.7 million Baht or increased by 27%, due essentially to the increase of expenses that varied with the sale and operating performance, and the increase of depreciation for the implementation of "SAP" ERP, as well as the provision for bad debt for the risky accounts receivable. In addition, the interest expenses had also increased from a year earlier by 1.5 million Bahts.
- Net Income Tax Credit increased by 0.7 million Baht.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Napaporn V.', with a stylized flourish at the end.

Mrs. Napaporn Vimananupong
Managing Director