

- TRANSLATION -

(Q-Con) 006/2022

May 10, 2022.

Attention Managing Director
 The Stock Exchange of Thailand

Subject : Management Discussion and Analysis the first quarter ended 31 March 2022

Quality Construction Products Public Company Limited (“Q-CON”) would like to clarify the main reason that caused operating result for the first quarter 2022 changed more than 20 percent that of 2021.

Q-CON and subsidiary have profit for the first quarter 2022 amount 45.9 Million Baht compared with the performance as the same period of 2021, there were profit for the period 59.0 Million Baht or profit for the period decreased 13.1 Million Baht. Due to the increasing of Revenue from sales 1% at the same period, mainly reason from the selling price while cost of sales increased 4% from the energy cost. As the result of the company’s gross profit margin decreased by 7% compared with the same period.

The first quarter in 2022, the company cost of distribution and administrative expenses were 47.1 Million Baht compare with last period 42.6 Million Baht, increased 11% or 4.5 Million Baht from the salary and employee welfare in the mainly. The company could properly controlled cost of distribution the same as last year.

The finance costs were 0.3 Million Baht from interest expenses on lease liabilities.

The company has income tax of 11.7 Million Baht decreased from last year 1.8 Million Baht, due to the decreasing from profit for the period.

At the end of March 31, 2022, the total assets 2,388.2 Million Baht were increased 104.8 Million Baht compared with at the end of December 31, 2021 increased from Cash and cash equivalents, Trade and other current receivables, Inventories, Current tax assets, Deferred tax assets, decreasing from Property, plant and equipment and Intangible assets

There were total liabilities of 469.9 Million Baht increased by 182.9 Million Baht from Trade and other current payables, Dividend payables, Corporate income tax payable, Lease liabilities and Non-current provisions for employee benefits.

At the end of March 31, 2022, the company has cash balance and cash equivalents balance amount 452.0 Million Baht decreased 194.7 Million Baht from December 31, 2021. There were net cash flows provided by operating activities 115.8 Million Baht, net cash flows provided by investing activities 84.8 Million Baht from proceeds from short-term debt instruments 90 Million Baht, proceeds from sale of property, plant and equipment 2.0 Million Baht, 8.3 Million Baht for acquisition of property, plant and equipment, net cash flows used in financing activities 6.0 Million Baht, from payments of lease liabilities and Interest and other financial costs paid

Please be informed accordingly

Sincerely yours,

Krongboon Sopawanit

(Miss Krongboon Sopawanit)

Deputy Managing Director