

(Translation)

May 11, 2022

Subject : Management Discussion and Analysis of Quarter 1 ended 31 March 2022.

Attention : Director and Manager of the Stock Exchange of Thailand

Thanulux Public Company Limited would like to clarify the performance of the Company and its subsidiaries. As shown in Comprehensive Income Statement of the First Quarter ended 31 March 2022, the Company and its subsidiaries net sales of Baht 412.19 million, increases Baht 72.03 million or 21.18 percent from the same period of 2021, with net profit of Baht 20.57 million, increases Baht 2.58 million or 14.34 percent from the same period of 2021.

Operating result of the first quarter 2022 increased from the same period of 2021 which is caused by the company had increase of sales at the amount of Baht 72.03 million or 21.18 percent from export sales increased 88.02 percent due to

- Orders: Existing customers increase their orders due to the expanding online distribution channels and some customers moved their production bases, including receiving orders from new customers.
- Exchange rate: Baht depreciated comparing to foreign currencies especially the US Dollars.

But domestic sales decreases 4.80 percent due to the domestic economic circumstance and the customers are more carefully in spending. Furthermore, the behavior of customers is changing resulted to highly competitive in every channel of distribution.

Cost of goods sold to sales revenue in 2022 was 70.13 percent, compared to 68.81% in 2021, an increase of 1.32 percent due to export sales with high-costs has a significant increase in sales proportion compared to the same period last year.

The Company continues to assess and monitor the business situation continuously. There was and improve of production and sales efficiency, invest in semi-automatic machines to cope with the shortage of skilled workers. Expand online distribution channels, generate more sales opportunities and reach more customers to support the business to continue sustain.

Please kindly acknowledge and publicize accordingly.

Faithfully Yours,

*Dusadee Soontrontumrong , Yupaporn Jearrakul*

(Ms. Dusadee Soontrontumrong , Ms. Yupaporn Jearrakul)

Chief Executive Officer, Chief Financial Officer