

Translation

MD&A

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

For the three-month period ended March 31, 2022

Major attributes to the Company's operating performance variations between Q1/2022 and Q1/2021 are:

1. Total sale revenues increased Baht 631.02 million (69.9%) from Baht 903.37 million to Baht 1,534.39 million because sale quantities increased from continuing demands from major customers in the North America resulting from trade war between the U.S and China, still make Thailand has advantage over China. Moreover, the Company increased selling prices affected from cost of raw materials increased.
2. Cost of sales increased Baht 414.17 million (58.4%) from Baht 708.88 million to Baht 1,123.05 million in concurrent with an increase in total sale revenues. Moreover, steel price of Q1/2022 greatly increased from Q1/2021 which the Company already increased selling price regarding an increase cost of steel.
3. Gross profit increased Baht 216.85 million (111.5%) from Baht 194.49 million to Baht 411.34 million. At the same time, gross profit margin increased from 21.5% to 26.8% because sales increased from both quantity and sales price. Moreover, Baht currency was weaker by 8.8%, the company, as an exporter, gained benefit from exchange rate.
4. Other Incomes increased Baht 52.73 million (86.7%) from Baht 60.84 million to Baht 113.57 million from revenue from scrap sale increased in concurrent with an increase in steel market price. In addition, Baht currency was weaker resulting in gain on exchange rate.
5. Selling and distribution expenses increased Baht 39.54 million (62.7%) from Baht 63.07 million to Baht 102.61 million in concurrent with an increase in sale revenue. It is mostly consisted of freight expenses.
6. Administrative Expenses increased Baht 9.57 million (20.0%) from Baht 47.75 million to Baht 57.32 million because the Company accrued bonus regarding an increase in operating results. Professional fees also increased.
7. Finance Costs increased Baht 1.87 million (97.4%) from 1.92 million to 3.79 million because liabilities from imported raw materials increased regarding to raw material price increased. At the same time, interest rate was stable.
8. Income tax increased Baht 43.63 million (155.8%) from Baht 28.01 million to Baht 71.64 million in concurrent with an increase in operational profit at the same tax rate of 20%
9. Profit for the period increased Baht 174.97 million (152.7%) from Baht 114.58 million to Baht 289.55 million because of an increase in sale revenues better profitability and an increase in other revenue, net with an increase in expenses.

Yours sincerely,

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Mr. Surasak Urpsirisuk

Chairman of the Executive Board and Managing Director