

Subject : Management Discussion and Analysis for quarter ended March 31, 2022

Attention : President

The Stock Exchange of Thailand

1. Operating Performance

1.1 Revenues

Consolidated financial statements		(Thousands Baht)		
	1 st Quarter		Change	
	2022	2021	Amount	%
Revenue from sales	1,047,191	745,247	301,944	40.52%
Other income	11,796	3,447	8,349	242.21%
Total Revenue	1,058,987	748,694	310,293	41.44%

Company total revenue on 1st quarter of year 2022 significantly increased 41.44 percent from the same period of last year. Sale revenue in the first quarter of 2022 significantly increased 40.52 percent from the same period of last year, main attributions are higher selling price and Thai Baht depreciation. Other income on 1st quarter of year 2022 significantly increased 242.21 percent from the same period of last year, due to gains from foreign exchange.

1.2 Cost of goods sold and expenses

Consolidated financial statements		(Thousands Baht)		
	1 st Quarter		Change	
	2022	2021	Amount	%
Cost of goods sold	-566,825	-483,889	-82,936	17.14%
Selling expenses	-202,866	-110,618	-92,248	83.39%
Administrative expenses	-37,973	-43,608	5,635	-12.92%
Finance Costs	-1,248	-3,751	2,503	-66.73%
Total	-808,912	-641,866	-167,046	26.03%

Cost of goods sold on 1st quarter of 2022 increased 17.14 percent from the same period of last year, this was caused by higher price of main raw material.

Selling expenses on 1st quarter of 2022 significantly increased 83.39 percent from the same period of last year, due to higher freight prices, though sale volumes in FOB were greater, resulting in higher freight cost.

Administrative expenses on 1st quarter of 2022 decreased 12.92 percent from the same period of last year, due to decreased in administrative expenses from the subsidiary company: S.Kleber Chemical Co.,Ltd since the subsidiary company had finished construction and test run in first half of 2021.

Financial cost on 1st quarter of 2022 significantly decreased 66.73 percent from the same period of last year, mainly due to long-term loans repayment.

As a result, cost of goods sold and expenses on 1st quarter of 2022 increased 26.03 percent from the same period of last year.

1.3 Profit

Consolidated financial statements		(Thousands Baht)		
	1st Quarter		Change	
	2022	2021	Amount	%
Gross profit	480,366	261,358	219,008	83.80%
Profit before income tax	250,075	106,828	143,247	134.09%
Net profit for period	224,498	86,496	138,002	159.55%

From revenues, cost of goods sold and expenses factors, company profit before income tax of 1st quarter 2022 was 250.08 million baht increased 134.09 percent and net profit of 1st quarter ended March 31, 2022 was 224.50 million baht increased 159.55 percent from the same period of last year.

Sincerely Yours,

(Ms.Orawan Sangwongkit)

Chief Financial Officer