

12 May 2022

Subject Management Discussion and Analysis on the Financial Statements for the 1<sup>st</sup> Quarter of 2022  
(1 January - 31 March 2022)

Attention The President  
The Stock Exchange of Thailand

CPANEL Public Company Limited (“the Company”) would like to notify the operating and financial performances for the 1<sup>st</sup> quarter of 2022 (1 January - 31 March 2022) with details as follows;

Items	1 <sup>st</sup> Quarter 2022		1 <sup>st</sup> Quarter 2021		Change	
	mn THB	%	mn THB	%	mn THB	%
Net sales	90.17	100.00%	86.24	100.00%	+ 3.93	4.56%
Cost of sales	(56.66)	(62.84%)	(51.83)	(60.10%)	+ 4.83	9.32%
<b>Gross Profit</b>	<b>33.51</b>	<b>37.16%</b>	<b>34.41</b>	<b>39.90%</b>	- 0.90	(2.62%)
Other income	0.14	0.16%	0.13	0.15%	+ 0.01	7.69%
Selling expenses	(7.94)	(8.81%)	(7.55)	(8.75%)	+ 0.39	5.17%
Administrative expenses	(9.03)	(10.01%)	(9.16)	(10.62%)	- 0.13	(1.42%)
Financial Costs	(2.15)	(2.38%)	(3.94)	(4.57%)	- 1.79	(45.43%)
<b>Profit (Loss) before Tax</b>	<b>14.53</b>	<b>16.11%</b>	<b>13.89</b>	<b>(16.11%)</b>	<b>+ 0.64</b>	<b>4.61%</b>
Income Tax Revenue (Expenses)	(2.92)	(3.24%)	(2.48)	(2.88%)	+ 0.44	17.74%
<b>Net Profit (Loss)</b>	<b>11.61</b>	<b>12.88%</b>	<b>11.41</b>	<b>13.23%</b>	<b>+ 0.20</b>	<b>1.75%</b>

#### Net Sales

In 1<sup>st</sup> quarter 2022, the Company had net sales of 90.17 mn bath, increased of 3.93 mn baht or 4.56% compared to the same period of 2021 mainly due to higher quantity of precast concrete panel products sale.

#### Other Incomes

Other Incomes comprised of revenue from sales of metal scraps from the production process, interest income, etc. In 1<sup>st</sup> quarter 2022, the Company has other incomes of 0.14 mn baht, increase of 0.01 mn baht or 7.69% compared to the same period of 2021.

#### Cost of sales and Gross Profit Margin

In 1<sup>st</sup> quarter 2022, the Company has cost of sales of 56.66 mn baht increased in the proportion of sales because steel price which is one of the main raw materials has increased cause the Company's gross profit margin decreased to 37.16% of net sales while the same period of 2021 had gross profit margin of 39.90% of net sales

**Selling expenses**

The Company has selling expenses in 1<sup>st</sup> quarter 2022 of 7.94 mn baht or 8.81% of net sales. The increasing in selling expenses correspond with the increasing in net sales, this was partly due to higher fuel expense for its own trucks.

**Administrative Expenses**

The Company has administrative expenses in 1<sup>st</sup> quarter 2022 of 9.03 mn baht, an decrease of 0.13 mn baht or 1.42% compared to 1<sup>st</sup> quarter 2021.

**Financial Costs**

In 1<sup>st</sup> quarter 2022, the Company has financial costs of 2.15 mn baht, decreased 1.79 mn baht or 45.43% compared to 1<sup>st</sup> quarter 2021 due to the repayment of loan to financial institution by using fund from IPO, resulting of decreasing in interest expense.

**Net Profit and Net Profit Margin**

The Company has net profit in 1<sup>st</sup> quarter 2022 of 11.61 mn baht which represents net profit margin of 12.88%, increased 0.20 mn baht or increased 1.75% compared to same period in 1<sup>st</sup> quarter 2021 as a result of more efficient management expenses and lower financial cost.

**Assets**

The Company has total assets as of 31 March 2022 of 630.47 mn baht, an increase from 31 December 2021 of 21.86 mn baht or 3.59%. The increase was from bringing the proceeds from the IPO, some of which are pending investment according to the plan invest in Short-term fixed income open-end fund of 70 mn baht, from cash and cash equivalents of 39 mn baht and decrease in accounts receivable of 4.54 mn baht from the accounting period receive money.

**Liabilities**

The Company has total liabilities as of 31 March 2022 of 230.45 mn baht, an increase from 31 December 2021 of 10.24 mn baht or 4.65% from deposits and advances received from customers.

**Shareholders' Equity**

The Company has shareholders' equity as of 31 March 2022 of 400.02 mn baht, an increase from 31 December 2021 of 11.61 mn baht or 2.99% from profit generate from the 1<sup>st</sup> quarter of 2022.

**Statement of Cash Flows**

According to the Cash Flow Statement of the 1<sup>st</sup> quarter 2022, the Company has net cash inflows from operating activities of 45.27 mn baht from increase the net profit, decrease account receivable and account payable. The Company has net cash outflows from investing activities of 73.04 mn baht from Short-term investments in fixed income open-end fund. Lastly, the Company has net cash outflows from financing activities of 11.22 mn

baht from the long-term loans from financial institution 8.00 mn baht. Consequently, the Company has cash and cash equivalents as of 31 March 2022 of 40.06 mn baht.

Please be informed accordingly,

Best Regards,  
CPANEL Public Company Limited

(Mr. Chakrit Theepakornsukkasame)  
CEO