

Management Discussion and Analysis Q1/2022

IHL's Consolidated Performance

	Q1/2022 (MB.)	% Y-o-Y	% Q-o-Q
Revenue from Sales and Services	469.95	7.63%	(0.33%)
Other Revenue	6.18	(24.96%)	(23.65%)
Total Revenue	476.13	7.03%	(0.72%)
Gross Profit	88.13	0.87%	4.64%
EBITDA	117.84	(0.70%)	4.05%
Net Profit	46.39	2.02%	29.19%

In Q1/2022, Revenue from Sales and Services was Baht 469.95 Million, 7.63% increased y-o-y from Automotive, Services and Shoes, but 0.33% slightly decreased q-o-q mainly from Automotive and Wet Blue. Other Revenue was Baht 6.18 Million, decreased y-o-y of Baht 2.05 Million and decreased q-o-q of Baht 1.90 Million. In Q1/2022, the Company recognized a profit from floating interest rate swap contracts in amount of Baht 4.61 Million.

Consolidated Revenue was Baht 476.13 Million, increased 7.03% y-o-y and slightly decreased 0.72% q-o-q.

Gross Profit was Baht 88.13 Million, 0.87% increased y-o-y and 4.64% increased q-o-q as a result of the cost of raw materials has been adjusted increased. Gross Profit margin in Q1/2022 was 18.75%, compared to 20.01% and 17.86% in Q1/2021 and Q4/2021 respectively.

Earnings before interest, income tax, depreciation and amortization (EBITDA) was Baht 117.84 Million, slightly decreased of 0.70% y-o-y and an increase of 4.05% q-o-q. In this quarter. Selling and administrative expenses were Baht 35.46 Million, a decrease of Baht 2.27 Million. SG&A

expenses decreased by Baht 4.35 million compared to the previous quarter. In this quarter EBITDA margin was 25.08% of Revenue from Sales and Services.

Financing cost in Q1/2022 was Baht 12.51 Million, a decrease of Baht 0.97 Million compared to the same period of the previous year. If compared with the past quarter, financing cost is decreased Baht 1.00 Million. This was mainly due to the company had less loans from financial institutions both in terms of short-term borrowings and long-term borrowings.

Net profit was registered at Baht 46.39 Million, was 9.87% of Revenue from Sales and Services.

Financial Position

	Mar. 2022 (MB.)	Dec. 2021 (MB.)
Total Asset	3,644.69	3,669.16
Current Asset		
Cash and Cash Equivalents	6.75	33.12
Trade and Other Receivables	217.23	188.77
Inventories	1,063.45	1,057.11
Property, Plant and Equipment - Net	2,246.58	2,279.22
Total Liabilities	1,979.98	2,050.85
Short-term Loans from Financial Institutions	1,054.82	1,084.22
Trade and Other Payables	230.25	191.78
Long-term Loans	621.25	697.44
Total Shareholders' Equity	1,664.70	1,618.31

As of March 31, 2022, Total Asset was recorded at Baht 3,644.69 Million, with decrease of Baht 24.47 Million. Account Receivables was Baht 217.23 Million or 5.96% of Total Asset, rose by Baht 28.46 Million as compared with last quarter. Inventory was Baht 1,063.54 Million, or accounted 29.18% of Total Asset, rose by Baht 6.34 Million.

Property, Plant and Equipment in this period was registered at Baht 2,246.58 Million, or 61.64% of Total Asset.

Short-term loan from financial institution decreased from Baht 1,084.22 Million in Q4/2021 to Baht 1,054.82 Million. Trust Receipt decreased by Baht 14.40 Million as compared with last quarter and Promissory Note decreased by Baht 15.00 Million.

Long-term Loan fell from Baht 697.44 Million to Baht 621.25 Million, mainly due to the scheduled repayment of Long-term Loan.

Financial Ratio

	Q1/2022	Year 2021	Q1/2021
Current Ratio (times)	0.83	0.82	0.84
Quick Ratio (times)	0.14	0.14	0.13
ISCR (times)	9.42	8.22	8.80
DSCR (times)	1.39	1.23	1.42
Net Debt to EBITDA (times)	4.20	4.65	4.45
Debt to Equity (times)	1.19	1.27	1.33
Gross Profit Margin (%)	18.75%	19.38%	20.01%
EBITDA Margin (%)	25.08%	25.99%	27.18%
Net Profit Margin (%)	9.87%	8.29%	10.41%
ROE (%)	11.30%	8.92%	11.66%

Please be informed accordingly,

Your sincerely,

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