

13 May 2022

The Director and Manager
The Stock Exchange of Thailand
93 Rachadapisek Road
Dindaeng, Dindaeng, Bangkok

Dear Sir:-

Subject: Management's Discussion and Analysis of Financial Results for Q1'2022

The company would like to disclose the information concerning the operating result for the 1st quarter of 2022 compared to the same period of previous year. The details are as follows:-

1. The Business Operation

1.1 Net Sales

For Q1'2022, the company's net sales amounted to Baht 592.91 million, an increase of Baht 94.53 million or 18.97% compared to Q1'2021. The increase in sales resulted from sales price increased. Sales volume decreased from both domestic sale and export sale while selling price increased due to the increase in raw material price. The proportion of sales: 89.37% came from domestic and 10.63% came from export.

1.2 Cost of sales

In Q1'2022, cost of sales was Baht 559.85 million, an increase of Baht 139.58 million or 33.21% compared to Q1'2021. This was because raw material prices were higher than the same period last year.

1.3 Other Income

Other income was Baht 9.14 million in Q1'2022, a decrease of Baht 18.19 million or 66.56% compared to Q1'2021. The reason was due to gain on foreign exchange and gain on fair value of derivative contract decreased.

1.4 The operating expenses in Q1'2022 amounted of Baht 28.92 million, a decrease of Baht 7.78 million or 21.20% compared to Q1'2021, mainly due to the employee expenses and freight charges decreased.

1.5 Financial costs in Q1'2022 amounted of Baht 4.09 million, an increase of Baht 2.72 million or 198.54 from the financial costs of trust receipts.

2. The Financial Position

2.1 Assets

As at 31 March 2022, the total assets are worth Baht 2,578.95 million, representing an increase of Baht 237.55 million or 10.15% from 31 December 2021. The main reason was trade receivables increased as sales increased while the inventories increased from both quantity and price increased.

2.2 Liabilities

Liabilities as at 31 December 2022, the total liabilities are Baht 1,009.86 million, an increase of Baht 228.86 million baht or 29.30% from the previous year. The reason was the increase of trade payable and trust receipts from the raw material imported at the end of Q1'2022.

2.3 Debt to Equity Ratio

As at 31 March 2022, the company's debt to equity ratio was 0.64 up from the previous year due to an increase in trade payable and trust receipt for raw material.

Yours faithfully,

(Mr.Akamin Nganthavee)

Managing Director