



August 9, 2022

Re : Management Discussion and Analysis Quarter 2 Ending 30 June 2022

To : Director and Manager of the Stock Exchange of Thailand

**Revenue from Sale of Goods and Rendering of Services.**

The company has revenue from sale of goods and rendering of services 826 million Baht, increased 197 million Baht from a year earlier or increased by 31%, due to the increase of Project Sales by 145 million Baht or increased by 45%, the increase of Wholesale/Retail Sales by 11 million Baht or increased by 7%, and the Increase of Overseas Sales by 41 million Baht or increased by 25%. The increase of Project Sales and the increase of Wholesale/Retail Sales due essentially to the postponement of a few major projects from last year to this quarter. In addition, there are more and more companies able to adapt their businesses to the widespread COVID-19 pandemic environment, and have started to renovate and expand their business. With regard to the Overseas Sales, the revenue from sale of goods to the American market had increased by 61 million Bahts.

**Profit for The Quarter**

The company had recorded a net profit of 10.3 million Baht, increased 5.6 million Baht from a year earlier, or increased by 119% due to :

- Gross Profit and Other Income increased by 31.8 million Baht or increased by 18%, is a result of the increased sales by 31%, but the gross profit margins was decreased from 26.9% in year 2021 to 24.3% in year 2022, due primarily to higher product costs resulted from the adverse raw materials and logistics costs, as well as the weakening of Thai Baht, while the company is unable to increase the selling prices for most projects as they are fixed in the sale contracts. In addition, the products sold in this quarter had unfavorable product mix, less higher margins products, and more lower margins products were sold in this quarter.
- Marketing and Administrative Expenses including Interest Expense increased by 27.4 million Baht or increased by 16%, due essentially to the increase of expenses that varied with the sale and operating performance, and the increase of depreciation/cloud service expenses resulted from the implementation of "SAP" ERP, as well as the increase of transportation expenses resulted from higher sales and higher petroleum cost. In addition, the interest expense also increased from a year earlier and is a result of higher borrowing because of higher sales.
- Net Income Tax had decreased by 1.2 million Baht.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Napaporn V.', with a stylized flourish at the end.

Mrs. Napaporn Vimananupong  
Managing Director