



August 11, 2022

To: Director and Manager
The Stock Exchange of Thailand

Subject: Management discussion and analysis for Q2/2022 (Translation from Thai version)

We, Thai O.P.P. Public Company Limited (the "Company") would like to submit the interim financial statements for the second quarter and for six-month period ended June 30, 2022 compare with the same period last year.

The operating result of our company in the second quarter of year 2022 in the financial statements in which the equity method is applied statement of income, there was Baht 31.80 million of net profit, when compare to the last year same period's net profit which were Baht 19.89 million, it was increasing Baht 11.91 million or 59.9%, it had differentiated more than 20%. Therefore, the Company would like to provide clarifications for the major changes as below.

The company's gross profit increased by Baht 16.09 million from last year, mainly from gross profit of sticker segment increased by Baht 9.12 million due to high re-ordering in the second quarter of this year, as a result, the company's production costs have been reduced as the company has better control production costs. The gross profit of plastic film segment increased by Baht 6.08 million mainly from the cost of goods has decreased in the second quarter of this year due to the sale of obsolete products, this has resulted in the reversal of the provisioning list for obsolete products.

Selling and administrative expenses increased mainly from domestic freight and export expenses by Baht 0.79 million. Moreover, the reversal of trade receivables impairment loss, which was in accordance with Financial Reporting Standards No.9, decreased by Baht 0.42 million from the second quarter of last year.

Other income increased by Baht 1.15 million mainly due to an increase in interest receivables of Baht 0.55 million and an increase in gains from sales on investment in other financial assets of Baht 0.54 million. This was mainly due to higher investment in the other financial assets than last year.

Other losses (gains) were from the estimated profit from fair value price (NAV) of the other financial assets at the end of the period. The second quarter of this year recognized an un-realized loss of Baht 1.13 million and the second quarter of last year recognized an un-realized gain of Baht 0.24 million, when compared, an un-realized net losses increasing by Baht 1.37 million, mainly due to a large portion of the company's investment in the other financial assets in the second quarter of this year more investment than last year.

The Company recognized an increase in profit from investment in associated companies by Baht 0.31 million compared to the same period of last year due to the increase in operating performance.

Income tax expense for the quarter increased by Baht 1.97 million due mainly to an increase in operating profit compared to the same period last year.

The other transactions had the insignificant changing.

Please be informed accordingly.

Yours faithfully,

Suthee Limatibul
Managing Director

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