

15 August 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 Q2'2022

The company would like to disclose the information concerning the operating result for the 2nd 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 Q2'2022, the company's net sales amounted to Baht 611.84 million, an increase of Baht 12.04 million or 2.01% compared to Q2'2021. 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: 88.42% came from domestic and 11.58% came from export.

1.2 Cost of sales

In Q2'2022, cost of sales was Baht 558.04 million, an increase of Baht 47.86 million or 9.38% compared to Q2'2021. This was because raw material prices were higher than the same period last year.

1.3 Other Income

Other income was Baht 9.32 million in Q2'2022, an increase of Baht 3.91 million or 72.27% compared to Q2'2021. The reason was due to gain on foreign exchange and gain on fair value of derivative contract.

1.4 The operating expenses in Q2'2022 amounted of Baht 35.83 million, a decrease of Baht 5.39 million or 13.08% compared to Q2'2021, mainly due to the employee expenses decreased.

1.5 Financial costs in Q2'2022 amounted of Baht 4.15 million, an increase of Baht 2.16 million or 108.54% from the financial costs of trust receipts.

2. The Financial Position

2.1 Assets

As at 30 June 2022, the total assets are worth Baht 2,554.46 million, representing an increase of Baht 213.06 million or 9.10% from 31 December 2021. The main reason was trade receivables increased while the inventories increased from both quantity and price increased.

2.2 Liabilities

Liabilities as at 30 June 2022, the total liabilities are Baht 979.69 million, an increase of Baht 198.69 million baht or 25.44% from the previous year. The reason was the increase of trade payable and trust receipts from the raw material imported at the end of Q2'2022.

2.3 Debt to Equity Ratio

As at 30 June 2022, the company's debt to equity ratio was 0.62 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