



THANTAWAN

Ref: THIP-SET/029/2022

November 8, 2022

Subject : Filing of Reviewed Financial Statements for the 3<sup>rd</sup>  
Quarter of 2022 and 2021 and Management  
Discussion and Analysis

Attention : The President  
The Stock Exchange of Thailand

Enclosures : 1. Reviewed Financial Statements and the Auditor's  
Review Report for the 3<sup>rd</sup> Quarter of 2022 and 2021  
2. Management Discussion and Analysis

The Board of Directors Meeting No. 11/2022 of Thantawan Industry Public Company Limited which was held on November 8, 2022 had approved the Reviewed Financial Statements for three-month and nine-month period ended September 30<sup>th</sup>, 2022. The Management Discussion and Analysis for the 3<sup>rd</sup> Quarter of this year can be clarified as attached.

Please be informed accordingly.

Very truly yours,

(Mr. Teerachai Siritunyanont)(Mrs. Pojanard Prinyapatpakorn)

Authorized Director



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## Management Discussion and Analysis for Q3 2022

### A) Results of Operations

The net profit after tax of Q3 2022 was THB 107.3 million which increased by THB 2.5 million or 2.37% compared to Q3 2021. Earnings per share was THB 1.19 which higher than Q3 2021 by THB 0.03.

Key highlight of Q3 2022 are described below:

Sales Revenue	Drinking Straw		Bags		Other Products		Total Sales Revenue	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
International sales	23.9	18.2	892.7	808.1	35.0	36.7	951.6	863.0
Domestic sales	48.5	26.4	85.5	68.1	13.4	13.0	147.4	107.5
Total sales	72.4	44.6	978.2	876.2	48.4	49.7	1,099.0	970.5
Inc.(Dec)								
International sales	5.7	31.3%	84.6	10.5%	1.7	-4.6%	88.6	10.3%
Domestic sales	22.1	83.7%	17.4	25.6%	0.4	3.1%	39.9	37.1%
Total sales Inc.(Dec)	27.8	62.3%	102.0	11.6%	1.3	-2.6%	128.5	13.2%

- Overall sales increased by THB 128.6 million or 13.3% compared to Q3 2021, mainly due to customer demand increased. Overall International sales increased by THB 88.6 million or 10.3% from Asia and Australia. Domestic market also recovered after relief of Covid-19 situation reflecting in sales improved by THB 39.9 million or 37.1%. Both Bags and Drinking straw were driving sales growth in this year.
- Q3 2022 Other income increased by 10.2 million or 102.2% compared to Q3 2021 significantly due to unrealized gain on investment of THB 13.8 million from mark to market investment value and FX gain decrease of THB 3.8 million. These two items depend heavily on macroeconomic situation which possibly impact investment value either gain or loss. However, the company has tried our best to carefully hedge FX exposure and thoroughly select investment instruments and closely monitor market situation.
- The company's overall expenses increased by THB 143.1 million or 16.7% compared Q3 2021, mainly due to
  - Cost of sales increased by THB 136.2 million or 17.8%, resulting in gross profit margin at 17.96% which decreased from Q3 2021 by 3.17%. The increase in cost of sales are mainly due to higher resin cost, Baht depreciation effected on imported raw material cost, especially Resin and higher FT in electricity charge. Rise in minimum wage is expected to reflect in P&L in the last quarter.



*Mr. Teerachai Sirtunyanont*

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Director

*Mrs. Pojanard Prinyapatkorn*

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Director

However, the company actively and closely monitors raw material cost against selling price to maintain reasonable profit level. Moreover, the company has continuously improved production efficiency as a part of sustainable cost reduction and use financial instrument for manage foreign currency risk

- Selling expenses increased by THB 9.2 million mainly due to higher logistic cost for both domestic and export transportation which increased in both number of transactions and oil price adjustment as well. Moreover, the company also investing in people and R&D for future expansion making HR expenses increased.
- Administrative expenses is slightly decreased by THB 2.3 million since there is no special event and expenses in this quarter. The percentage of both selling and administrative expenses to revenue decreased by 0.5% compared to same quarter last year.

## B) Financial position

### Assets

As of September 30, 2022, Company's total assets were THB 3,056.7 million, increased from December 31, 2021 by THB 99.7 million or 3.4%. Significant changes in assets were followings;

- 1.) The company tried to maximize return on asset by investing idle cash approximately THB 270.7 million to both current and non-current financial assets, making reduction in cash and increase in financial asset.
- 2.) Trade and other receivables increased by THB 61.6 million in accordance with sales increased.
- 3.) Inventory decreased by THB 77.9 million or 10.6%, mainly from reduction in finished goods of THB 49.8 million since more shipments can be booked at the end of quarter.

### Liabilities and Shareholders' Equity

As of September 30, 2022, the company's total liabilities were THB 574.8 million, decreased from previous year by THB 68.7 million or 10.7%. Major decreased in trade accounts payable THB 104.2 million from more invoice due near the end of quarter. Moreover, accrued income tax decreased from payment of half year income tax and tax saving from new BOI privilege. Moreover, accrued expenses slightly decreased due to bonus payment in Q1, 2022.

Shareholders' equity as of September 30, 2022 was THB 2,481.9 million, increased by THB 168.4 million or 8.1% compared to December 31, 2021 totally added up from the comprehensive income for the nine months of 2022, less dividends paid.





Mr. Teerachai Siritunyanont  
Director



Mrs. Pojanard Prinyapatpakorn  
Director

C) Key Financial Ratios

Description	Unit	Q3 2022	Q3 2021
Gross profit margin	%	17.96%	21.13%
Net profit margin	%	9.59%	10.69%
Return on shareholders' equity	%	4.42%	4.93%
Return on total assets	%	3.49%	3.96%
Liquidity ratio	Times	2.87	3.86
Cash cycle	Days	76	78
Debt to Equity ratio	Times	0.23	0.24
Book value per share	THB/share	27.58	23.02
Basic earnings per share	THB/share	1.19	1.16



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