

24 February, 2023

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 the Year 2022

The company would like to report the company operating results for year 2022 as follows:-

1. Business Overview

For 2022, the product demand in Thailand has decreased compared to the previous year due to an economic began has slowed down. The market competition was quite high and the raw material price fluctuated greatly compared with the previous year.

1.1 For 2022, the company's revenue from sales amounted to Baht 2,143.19 million, representing an increase of Baht 8.59 million, equivalent to 0.40% compared to 2021.

The increase in sales resulted from price increased but the sales volume decreased. The sale price increased is mainly from the raw material price increased. The proportion of sales: 89.61% came from domestic and 10.39% came from export.

1.2 Costs of goods sold in 2022 amounted to Baht 2,052.57 million, increased Baht 193.41 million or 10.40% from the previous year. This was mainly from the price of raw material was higher than the previous year.

1.3 The net loss in 2022 totaled Baht 73.03 million, increased Baht 227.17 million or 147.38% from the previous year. Loss increased due to the product demand has decreased and the market competition was quite high as a result of the price competition while the price of raw material fluctuated greatly compared with the previous year.

1.4 The operating expenses amounted of Baht 174.94 million, an increase of Baht 21.94 million or 14.34% compared to 2021, mainly due to the allowance for decline in value of inventories increased Baht 32.78 million while the employee expenses and other decreased Baht 10.84 million.

1.5 Financial costs in 2022 amounted of Baht 15.65 million, an increase of Baht 4.82 million or 44.51% from the financial costs of trust receipts.

2. The Financial Position

2.1 Assets as at 31 December 2022, the total assets are worth Baht 2,156.12 million, representing a decrease of Baht 185.28 million or 7.91% from 31 December 2021. This main reason was the decrease of trade receivable and inventories. The trade receivable decreased from sales volume decreased, inventories decreased from volume while property, plant and equipment and right-of-use assets decrease from depreciation of the year.

2.2 Liabilities as at 31 December 2022, the total liabilities are Baht 678.21 million, a decrease of Baht 102.79 million baht or 13.16% from the previous year. The reason was the decrease of trust receipts and lease liabilities from debt repayment while trade and other payables increased from the raw material imported at the end of the year 2022.

2.3 Debt to Equity Ratio

As at 31 December 2022, the company's debt to equity ratio was 0.46, down from the previous year due to a decrease in trust receipt.

Yours faithfully,

(Mr.Akamin Nganthavee)

Managing Director