



THANTAWAN

Ref: THIP-SET/017/2023

May 8, 2023

Subject : Filing of Reviewed Financial Statements for the 1st
Quarter of 2023 and 2022 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 1st Quarter of 2023 and 2022
2. Management Discussion and Analysis

The Board of Directors Meeting No. 4/2023 of Thantawan Industry Public Company Limited which was held on Monday, May 8, 2023 had approved the Reviewed Financial Statements for three-month period ended March 31st, 2023. The Management Discussion and Analysis for the 1st 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 Quarter 1/2023

A.) The changes of operating results more than 20%

The net profit after tax for Q1/2023 was THB 69.4 million which decreased by THB 49.3 million or 41.5% compared to same quarter last year. Earning per share was THB 0.77 lower than Q1/2022 by THB 0.55 per share.

Key highlights are described below.

Sales Revenue	Drinking Straw		Bags		Other Products		Total Sales Revenue	
	March 2023	March 2022	March 2023	March 2022	March 2023	March 2022	March 2023	March 2022
International sales	16.0	19.3	709.1	920.8	46.2	41.3	771.3	981.4
Domestic sales	37.8	37.2	90.6	75.5	15.0	15.2	143.4	127.9
Total sales	53.8	56.5	799.7	996.3	61.2	56.5	914.7	1,109.3
Inc.(Dec)								
International sales	- 3.3	-17.1%	- 211.7	-23.0%	4.9	11.9%	- 210.1	-21.4%
Domestic sales	0.6	1.6%	15.1	20.0%	- 0.2	-1.3%	15.5	12.1%
Total sales Inc.(Dec)	- 2.7	-4.8%	- 196.6	-19.7%	4.7	8.3%	- 194.6	-17.5%

- Revenue from sales of goods decreased by THB 194.6 million or 17.5% compared to same quarter last year, mainly from international sales of THB 210.1 million or 21.4% due to the conflict between Russia and Ukraine. This led to a slowdown in the global economy, which began to affect sales in Europe and America as customer slowdown their orders. The domestic market continued to recover and continued to increase from the previous year after relief of the COVID-19 situation. Domestic sales grew by THB 15.5 million or 12.1% from recycle bin bag which under the SUNBIN brand, which is available in rolls and folds. The company has just started production and distribution in Q1/2022 and has received more and more positive feedback because SUNBIN products are made from 100% recycled plastic resin. In the past the company is accelerating to increase market share both internationally and domestically and to adapt to eco-friendly global trends as well. SUNBIN products are shown below.


 Mr. Teerachai Siritunyanont
 Director


 Mr. Pojanard Prinyapattapakorn
 Director

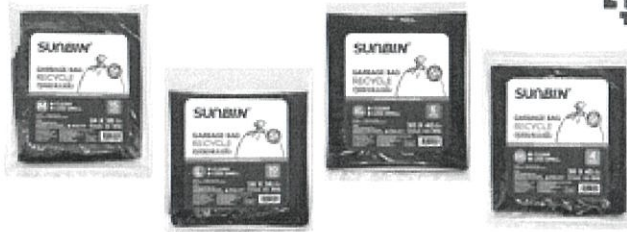




ถุงขยะดำ แบบม้วน

ผลิตจาก พลาสติก Re-process
(PE Recycle 100%)

- เบ็ดทุกเม็ด ลวดคุณภาพดี เหมาะกับการใช้งานทั่วไป
- กลิ่นไม่ฉุน เหมาะสำหรับห้องแอร์หรือพื้นที่ปิด
- จุดยึด: สนิมหนักมีก๊อปปี้ ด้วย Star Seal กันถุงแข็งแรง
- มีรอยม้วน ช่วยลดการฉีกใช้งาน คุ้มกับใช้สะดวก
- ผลิตแบบแยกตามสี



ถุงขยะดำ แบบพับใบ

ผลิตจาก วัสดุรีไซเคิล
(Plastic Re-Process)

- ผลิตจากวัสดุรีไซเคิล (Plastic Re-Process) กลิ่นไม่ฉุน
- เหมาะสำหรับห้องแอร์หรือพื้นที่ปิด และสำหรับการใช้งานทั่วไป
- ช่วยลดการฉีกหรือฉีกขาด
- ผลิตแบบแยกตามสี

- Other income in Q1/2023 was THB 6.93 million which decreased by THB 14.2 million or 67.3% compared to Q1/2022, mainly from mark to market adjustment of investments which decreasing by THB 4.10 million and foreign exchange gain decreased by THB 10.45 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 has proceeded by preventing risks of foreign exchange to be able to manage income, costs and the investment in foreign mutual funds more efficiently.
- Total expenses in Q1/2023 decreased by THB 151.5 million or 15.3% compared to Q1/2022. This is mainly due to:

Expenses	Q1/2023	%	Q1/2022	%	Inc.(de.)	%
Cost of sales	736,955	80.6%	894,508	80.6%	-157,553	-17.6%
Selling and distribution expenses	31,872	3.5%	28,549	2.5%	3,323	11.6%
Administrative expenses	72,007	7.8%	69,308	6.1%	2,699	3.9%
Total expenses	840,834	91.9%	992,365	89.5%	-151,531	-15.3%

- Cost of sales decreased by THB157.6 million or 17.6% due to lower sales revenue. The gross profit in this quarter was at 19.43% which slightly increased from Q1'2022. Although the raw material prices decreased, the company has high energy costs from the increase in the FT rate so gross profit was lower than expected about 1%.



 Mr. Teerachai Sirtunyanoont Mr. Jounard Prinyapaipakorn
 Director Director

- Selling and distribution expenses increased by THB 3.3 million. Mainly due to the company invested in HR expenses and spent in research & develop products to improve production productivity and to expand business in the future about THB 2.5 million. In addition, expenses increased from spending for sales promotion through various digital platforms to let customers know more about Sun family products.
- Administrative expenses increased by THB 2.7 million from depreciation of buildings on the land purchased in Q3/2022 and depreciation from office renovation, together with other expenses such as consulting and travel expenses, fees related to foreign investment such as flat fee and custody fee.

B) Financial position

Assets

As of March 31, 2023, the Company's total assets of THB 3,015.1 million was decreased from December 31, 2022 by THB 10 million or 0.3%. The significant changes in assets were both increasing and decreasing, as follows:

- 1.) Inventories decreased by THB 118.5 million or 29%, which was impacted by a decrease in international orders in relation to a decrease in international income, resulting in a decrease in raw materials by 108.1 million THB and finished goods by THB 12.4 million. However, apart from the raw material orders decreased, the company also manages existing raw materials for cost efficiency. In addition, this is partly due to the trend of falling raw material prices resulting in the decrease in raw material value.
- 2.) Net fixed assets decreased from the depreciation and the disposal of obsolete and unused assets such tools and computers from the assets register for donation.
- 3.) Trade and other receivables decreased slightly because international account receivables declined but domestic receivables increased.
- 4.) In Q1/2023, the Company invested in debentures and foreign funds during the quarter by THB 247.3 million and disposed during the quarter by THB 131 million with the impact of a decrease in fair value of THB 27.8 million. Net investments increased by THB 88.4 million, as shown in the financial statements in other current financial assets and other non-current financial assets. Currently, the Company is closely monitoring the situation and assessing impacts to reduce risks


 Mr. Teerachai Siritunyanont
 Director


 Mr. Poichard Prinyapatpakote
 Director



in investing in foreign funds and debentures. In addition, as of March 31, 2023, the Company has a net increase in cash equivalent and investments of THB 120 million.

Liabilities and shareholders' equity

As of March 31, 2023, The Company's total liabilities amounting to THB 435.8 million, decrease from 31 December 2022 by THB 74.1 million or decrease by 14.5% mainly decreased due to lower accrued expenses from bonus payments in Q1/2023 by THB 47.2 million and decrease from trade account payables by THB 30.4 million from reduced orders.

Shareholders' equity as of March 31, 2023 amounted to THB 2,579.3 million increase by THB 64.1 million or 2.5% compared to December 31, 2022 from the total comprehensive profit for Q1/2023

c) Key Financial Ratios

Description	Unit	1/2023	1/2022
Gross profit margin	%	19.43%	19.37%
Net profit margin	%	7.53%	10.50%
Return on shareholders' equity	%	2.73%	5.00%
Return on total assets	%	2.30%	3.98%
Liquidity ratio	Times	3.84	3.20
Cash cycle	Days	74	73
Debt to Equity ratio	Times	0.17	0.24
Book value per share	THB/share	28.66	27.02
Basic earnings per share	THB/share	0.77	1.32



 Mr. Teerachai Siritunyanont Mr. Pojanard Prinyapatpakdee
 Director Director

