

- Translation -

TPLAS 003/2023

May 8, 2023

Subject: Management discussion and analysis for the quarter ending 31 March 2023

To: President

The Stock Exchange of Thailand

Thai Plastic Industrial (1994) Public Company Limited (“the Company”) would like to clarify the results of the operating performance for the quarter ending 31 March 2023. The details are as follows:

FOR THE QUARTER ENDING 31 MARCH	2023 (BAHT)	2022 (BAHT)	+ / (-) (BAHT)	%
SALES REVENUE	133,331,551	140,918,876	(7,587,325)	(5.38)
OTHER INCOME	1,498,969	1,589,606	(90,637)	(5.70)
COST OF GOODS SOLD	115,485,999	115,524,572	(38,573)	(0.03)
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES	15,384,951	14,773,562	611,389	4.14
FINANCIAL COSTS	102,796	7,468	95,328	1,276.49
GROSS PROFIT	17,845,552	25,394,304	(7,548,752)	(29.73)
NET INCOME	3,186,182	9,869,968	(6,683,786)	(67.72)

Sales Revenue

For the quarter ended 31 March 2023 and 2022, the Company has sales revenue of 133.33 million THB and 140.92 million THB, respectively, decreased by 7.59 million THB or equivalent to 5.38 percent. This is mainly due to the decrease in average price of products that caused by the decrease in average price of raw materials. And the sales volume of plastic bags and wrapping film were decreased, while the sales volume of food paper box slightly increased.

Other Income

For the quarter ended 31 March 2023 and 2022, the Company has other income of 1.50 million THB and 1.59 million THB, respectively, decreased by 0.09 million THB or equivalent to 5.70 percent. The main reason is the Company received the subsidies from the Social Society Office for the impacts of events related to the COVID-19 epidemic in 2022 and the revenue from selling scrap (waste from the production process) decreased. Despite the increase in gain on disposals of assets, which are 2 cars.

Cost of Goods Sold

For the quarter ended 31 March 2023 and 2022, the Company has cost of goods sold of 115.49 million THB and 115.52 million THB, respectively, decreased by 0.04 million THB or equivalent to 0.03 percent. This is mainly due to the decrease in the average price of raw materials and the decrease in sales volume of products and the decrease in sales volume of products.

Selling, General and Administrative Expenses

For the quarter ended 31 March 2023 and 2022, the Company has selling, general and administrative expenses of 15.38 million THB and 14.77 million THB, respectively, increased by 0.61 million THB or equivalent to 4.14 percent. This is mainly due to the increase in the cost of building repairs and provision for doubtful debt.

Financial Costs

For the quarter ended 31 March 2023 and 2022, the Company has financial costs of 0.10 million THB and 0.01 million THB, respectively, increased by 0.09 million THB or equivalent to 1,276.49 percent. This is mainly due to an increase in the interest from financial lease agreements and purchase of assets.

Gross Profit

For the quarter ended 31 March 2023 and 2022, the Company has gross profit of 17.85 million THB and 25.39 million THB, respectively, decreased by 7.55 million THB or equivalent to 29.73 percent. This is mainly due to the decrease in sales volume of products and the decrease in price of products.

Net Income

For the quarter ended 31 March 2023 and 2022, the Company has net income of 3.19 million THB and 9.87 million THB, respectively, decreased by 6.68 million THB or equivalent to 67.72 percent. This is mainly due to the decrease in gross profit and the increase in selling, general and Administrative express.

Please be informed accordingly.

Yours sincerely,

Mr. Teerachai Teerarujiinon

Managing Director

Thai Plastic Industrial (1994) Public Company Limited