

## Translation

### MD&A

#### SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

For the year ended December 31, 2023

Major attributes to the Company's operating performance variations between 2023 and 2022 are:

1. Total sale revenues decreased Baht 1,437.15 million (27.4%) from Baht 5,248.02 million to Baht 3,810.87 million due to economic recession which caused customers delayed orders for new cylinders. However, the company immediately adjusted sale policies and sale strategies by focusing on the company's other cylinders in order to better profitability. At the same time, the company entered more markets in various regions; as a result, the company received continuous orders from customers. In addition, the Company succeeded in launching a new product and it has already certified. Currently, the Company has begun receiving some orders of new product. Hence, the Company believed that our new product will be growth in the future. Finally, steel price of 2023 decreased from 2022 by 16% which the Company already decreased selling price regarding a decrease in steel market price.
2. Cost of sales decreased Baht 759.53 million (19.5%) from Baht 3,899.12 million to Baht 3,139.59 million in concurrent with a decrease in total sale revenues. Moreover, cost of raw material (steel) decreased from prior year due to a decrease in steel market price.
3. Gross profit decreased Baht 677.62 million (50.2%) from Baht 1,348.90 million to Baht 671.28 million. At the same time, gross profit margin decreased from 25.7% to 17.6% because of economic recession resulting in more price competition in every region. Moreover, overhead costs per unit increased due to less utilization of production.
4. Selling and distribution expenses decreased Baht 127.38 million (39.7%) from Baht 321.24 million to Baht 193.86 million in concurrent with a decrease in sale revenue. It mostly consisted of freight expenses. In addition, freight charge situation returned to normal, so freight expenses decreased.
5. Administrative expenses decreased Baht 58.28 million (21.8%) from Baht 267.37 million to Baht 209.09 million because the company can manage both liabilities and receivables in foreign currency more effectively; as a result, there is gain on exchange rate for this year. On the other hand, there is a loss on exchange rate for prior year.
6. Finance Costs decreased Baht 4.62 million (19.3%) from Baht 23.95 million to Baht 19.33 million because liabilities from imported raw materials and steel market price decreased, net with market interest rate increased.
7. Income tax decreased Baht 95.45 million (51.8%) from Baht 184.21 million to Baht 88.76 million in concurrent with a decrease in operational profit at the same tax rate of 20%

8. Profits for the year decreased Baht 457.64 million (55.2%) from Baht 828.88 million to Baht 371.24 million because of a decrease in sale revenues affected from economic recession and less profitability from price competition

Yours sincerely,

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Mr. Surasak Urpsirisuk

Chairman of the Executive Board and Managing Director