

Ref: THIP-SET/038/2024

August 14, 2024

Subject : Filing of Reviewed Financial Statements for the 2rd
Quarter of 2024 and 2023 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 2rd Quarter of 2024 and 2023
2. Management Discussion and Analysis

The Board of Directors Meeting No. 8/2024 of Thantawan Industry Public Company Limited which was held on Wednesday, August 14, 2024 had a resolution as follows;

1. Approved the Reviewed Financial Statements for three-month and six-month period ended June 30, 2024. The Management Discussion and Analysis for the 2rd Quarter of 2024 can be clarified as attached.
2. Approved an interim dividend payment for the operating results from January 1, 2024 to June 30, 2024 to Shareholders at the rate of 0.65 Baht per share, totaling 58,499,795.90 Baht. The interim dividends are paid from taxable profits at the rate of 20 percent. The Record Date for determining the names of eligible dividends is Thursday August 29, 2024 and the interim dividend will be paid on Thursday September 12, 2024.

Please be informed accordingly.

Very truly yours,



(Mr. Teerachai Siritunyanont)



Authorized Director



OFFICE

32nd Fl., Sun Towers Bldg. A, 123 Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok 10900 Thailand.
Tel. + 66 2273 8333 Fax. + 66 2273 8282 , 273 8484 Website : www.thantawan.com

FACTORY

143-144 Moo 8, Soi Kangval 2, Phetkasem Rd., Omyai, Sampran, Nakornpathom 73160 Thailand.
Tel. + 66 2431 3051 , 811 4700 Fax. + 66 2420 3180 Website : www.thantawan.com



Management Discussion and Analysis for the three-month and six-month periods ended 30 June 2024 of
Thantawan Industry Public Company Limited (“the Company”)


A) Operating results

Unit : million baht

Profit or loss	1H 2024 6 months	1H 2023 6 months	Increase (Decrease)		Q2 2024 3 months	Q2 2023 3 months	Increase (Decrease)	
			Amount	%			Amount	%
Revenues								
Revenue from contracts with customers	1,879.6	1,612.7	266.9	16.6%	954.1	698.0	256.1	36.7%
Cost of sales	1,479.9	1,315.1	164.8	12.5%	752.5	578.2	174.4	30.2%
Gross Profit	399.7	297.6	102.1	34.3%	201.6	119.8	81.7	68.2%
Other income	61.3	55.2	6.1	11.1%	22.8	48.2	(25.4)	-52.8%
Expenses								
Selling and distribution expenses	66.7	63.3	3.4	5.4%	37.2	31.5	5.7	18.1%
Administrative expenses	166.0	138.1	28.0	20.2%	74.7	66.1	8.6	13.1%
Profit from operating activities	228.2	151.3	76.9	50.8%	112.5	70.5	41.9	59.5%
Finance cost	(1.2)	(1.4)	(0.2)	-12.1%	(0.6)	(0.7)	(0.1)	-13.5%
Profit before income tax expenses	227.0	149.9	77.0	51.4%	111.9	69.8	42.0	60.2%
Income tax expenses	(45.2)	(19.0)	26.3	138.6%	(22.4)	(8.3)	14.1	169.7%
Profit for the period	181.8	131.0	50.8	38.8%	89.5	61.5	28.0	45.5%
Basic earnings per share	2.0	1.5	0.6		1.0	0.7	0.3	
Gross Profit Margin	21.3%	18.5%	2.8%		21.1%	17.2%	4.0%	

Net profit for the three-month and six-month periods ended 30 June 2024 was THB 89.5 million and THB 181.8 million, respectively, which increased by THB 28.0 million (45.5%) and THB 50.8 million (38.8%) compared to the same period of prior year, respectively. The increase in net income resulted from the increase in both domestic and export sales and the increase in percentage of gross profit margin. The Company is concentrating to expand customer base both internationally and domestically and adapting toward sustainability development.




Mr. Teerachai Sirtunyanont
Director


Mrs. Pojanard Prinyapatpakorn
Director

● Revenue from sales

Unit : million baht

Revenue from sales	Bags		Straw		Others		Total	
	Q2 24	Q2 23	Q2 24	Q2 23	Q2 24	Q2 23	Q2 24	Q2 23
Revenue from sales								
Export sales	774.0	514.3	10.1	18.4	21.4	23.4	805.5	556.1
Domestic sales	86.3	86.0	44.9	37.3	17.4	18.6	148.6	141.9
Total sales	860.3	600.3	55.0	55.7	38.8	42.0	954.1	698.0
Changes and %changes								
Export sales	259.7	50.5%	(8.3)	-45.1%	(2.0)	-8.5%	249.4	44.8%
Domestic sales	0.3	0.3%	7.6	20.4%	(1.2)	-6.5%	6.7	4.7%
Total Increase(Decrease)	260.0	43.3%	(0.7)	-1.3%	(3.2)	-7.6%	256.1	36.7%

Unit : million baht

Revenue from sales	Bags		Straw		Others		Total	
	1H 24	1H 23	1H 24	1H 23	1H 24	1H 23	1H 24	1H 23
Revenue from sales								
Export sales	1,509.1	1,223.3	23.4	34.4	47.0	69.7	1,579.5	1,327.4
Domestic sales	177.3	176.6	93.1	75.1	29.7	33.6	300.1	285.3
Total sales	1,686.4	1,399.9	116.5	109.5	76.7	103.3	1,879.6	1,612.7
Changes and %changes								
Export sales	285.8	23.4%	(11.0)	-32.0%	(22.7)	-32.6%	252.1	19.0%
Domestic sales	0.7	0.4%	18.0	24.0%	(3.9)	-11.6%	14.8	5.2%
Total Increase(Decrease)	286.5	20.5%	7.0	6.4%	(26.6)	-25.8%	266.9	16.6%

The above table represents the breakdown of sales by products and by domestic sales and export sales. For the three-month and six-month periods ended 30 June 2024, revenue from sales increased by THB 256.1 million (36.7%) and THB 266.9 million (16.6%) compared to the same period of prior year, respectively.

Regarding export sales for three-month and six-month periods, the major increase was from sales to a major customer in America which rebounded from the same period of prior year. In addition, sales from new customers also increased in the current period.

For the growth of domestic sales, the increase in sales was primarily due to straw products. In addition, sales of owned branded products also increased.




 Mr. Teerachai Siritunyanont
 Director


 Mrs. Pojanard Prinyapatpakorn
 Director

- **Other income**

For the six-month period ended 30 June 2024, other income increased by THB 6.1 million (11.1%) compared to the same period of prior year. Such increase was mainly due to gain on exchange rate as a result of the depreciation of THB of the current period.

For the three-month period ended 30 June 2024, other income decreased by THB 25.4 million (52.8%) compared to the same period of prior year. Such decrease mainly due to the company received the compensation income from a customer (one-time income) amounting to THB 31.7 million during Q2 2023. However, gain on exchange rate and interest income increased totaling THB 15.6 million compared to the same period last year.

- **Gross profit margin**

For the three-month and six-month periods ended 30 June 2024, gross profit margins were 21.1% and 21.3%, respectively, which increased by 4.0% and 2.8%, respectively, compared to the same period of prior year. Such increase in % gross profit margin resulted from the decrease in fixed overhead cost per unit which dropped due to the rise in production volume in 2024 compared to 2023. The rise in production volume was in line with the sales growth.

- **Selling and distribution expenses**

Selling and distribution expenses for the three-month and six-month periods ended 30 June 2024 increased by THB 5.7 million (18.1%) and THB 3.4 million (5.4%), respectively, compared to the same period of prior year. Such increase resulted primarily from the export fees and delivery expense which increased in line with sales.

- **Administrative expenses**

The major administrative expenses are employee expenses, depreciation expenses and utility expenses. Administrative expenses for the three-month and six-month periods ended 30 June 2024 increased by THB 8.6 million (13.1%) and THB 28.0 million (20.2%) compared to the same period of prior year, respectively. Such increase was mainly due to the expenses related to the business expansion in Vietnam e.g. consultant fee and traveling expense which were not the recurring expenses. In addition, employee expenses also increased.




Mr. Teerachai Sirtunyanont
Director


Mrs. Pojanard Prinyapatpakorn
Director

B) Financial position

Unit : million baht

Statement of financial position	30 June 2024	%	31 December 2023	%	Increase (Decrease)	%Increase (Decrease)
Current assets	2,422.8	71.8%	2,200.6	69.5%	222.2	10.1%
Non-current assets	949.3	28.2%	965.1	30.5%	(15.7)	-1.6%
Total assets	3,372.2	100.0%	3,165.7	100.0%	206.4	6.5%
Current liabilities	623.8	18.5%	451.8	14.3%	172.0	38.1%
Non-current liabilities	65.6	1.9%	70.6	2.2%	(5.1)	-7.2%
Total liabilities	689.4	20.4%	522.4	16.5%	166.9	32.0%
Shareholders' equity	2,682.8	79.6%	2,643.3	83.5%	39.5	1.5%
Total liabilities and shareholders' equity	3,372.2	100.0%	3,165.7	100.0%	206.4	6.5%

Assets

As of 30 June 2024, the Company's total assets amounted to THB 3,372.2 million, increasing by THB 206.4 million or 6.5% from 31 December 2023. The significant changes in assets were listed below.

1. Inventories increased by THB 240.2 million or 45.1% due to the increase in volume of finished goods and raw material in line with the growth of sales.
2. Trade and other receivables increased by THB 121.3 million or 28.6%. The increase in trade receivable of THB 99.6 million was in line with the sales growth and the increase in other receivables of THB 21.7 million was due to the increase in VAT refundable resulting from the higher purchase volume during the current period.
3. The decrease in cash and cash equivalents of THB 80.5 million or 8.3% was mainly due to the increase in net working capital for the operation, which increased in line with sales and the payment for dividend of THB 148.0 million. However, the company received net cash from investing activities of THB 41.9 million mainly from cash received from corporate and government bonds matured during the period. The Company managed outstanding cash for the appropriate benefit and for the preparation of the future investment.




Mr. Teerachai Siritunyanont
Director


Mrs. Pojanard Prinyapatpakorn
Director

Liabilities and shareholders' equity

As of 30 June 2024, the Company's total liabilities amounted to THB 689.4 million, increased by THB 166.9 million or 32.0% from 31 December 2023. Major increase was from trade and other payables which increased by THB 181.9 million due to the higher purchase volume of raw material.

Shareholders' equity as of 30 June 2024 amounted to THB 2,682.8 million, increasing by THB 39.5 million or 1.5% from 31 December 2023. Such increase was from the total comprehensive income for the period after deducting dividend payment.

C) Key Financial Ratios

Description	Unit	1H 2024	1H 2023
Gross profit margin	%	21.3%	18.5%
Net profit margin	%	9.7%	8.1%
Return on shareholders' equity	%	13.7%	10.5%
Return on total assets	%	11.1%	8.7%
Liquidity ratio	Times	3.9	3.8
Cash cycle	Days	76	84
Debt to Equity ratio	Times	0.3	0.2
Book value per share	THB/share	29.8	27.8
Basic earnings per share	THB/share	2.0	1.5



Mr. Teerachai Siritunyanont

Mr. Teerachai Siritunyanont

Director

Mrs. Pojanard Prinyapatpakorn

Mrs. Pojanard Prinyapatpakorn

Director