

May 14, 2020

Subject: Management Discussion and Analysis
 For the three-month period ended March 31, 2020
 To: The President,
 The Stock Exchange of Thailand

Home Pottery Public Company Limited ("The Company") would like to submit the Management Discussion and Analysis of the Company's operation for the three-month period ended 31 March, 2020 with details as follows:

Unit: Million Baht

	Consolidated financial statements		Separate Financial Statement		Changes (separate financial statement)	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	(Million Baht)	%
<i>(Unit: Million Baht)</i>						
Revenue from Sales	47.81	50.24	41.97	45.53	(3.56)	(7.82)
Other Revenue	1.64	0.57	1.60	0.44	1.16	263.64
Total Revenue	49.45	50.81	43.57	45.97	(2.40)	(5.22)
Costs of Sales	34.98	36.66	32.02	35.05	(3.03)	(8.64)
Cost of distributions	4.60	4.86	3.66	3.98	(0.32)	(8.04)
Administrative Expenses	5.89	6.32	3.81	4.00	(0.19)	(4.75)
Total Expenses	45.47	47.84	39.49	43.03	(3.54)	(8.23)
Profit from operating activities	3.98	2.97	4.08	2.94	1.14	38.78
Financial costs	(0.14)	(0.06)	(0.09)	(0.07)	(0.02)	28.57
Profit before income tax	3.84	2.91	3.99	2.87	1.12	39.02
Income tax	0.04	0.02	0.03	0.02	0.01	50.00
Profit the period	3.88	2.93	4.02	2.89	1.13	39.10
<u>Profit attributable to</u>						
Owners of the parent	3.88	2.93				
Non- controlling interests	0.00	0.00				

The separate Financial Statement of Home Pottery Public Company Limited ("the Company") for the three-month period ended 31 March 2020 showed total revenue of 43.57 million Baht. The cost of sales amounted to 32.02 million Baht, while selling and administrative expenses and financial costs were 7.56 million Baht in total. Net income for the period of the company was 4.02 million Baht. The changes are explained as follows;

Sales Revenues:

For the three-month period ended 31 March 2020, the Company generated a revenue from sales of 41.97 million Baht, decreasing by 7.82% when compared to the same period in the previous year, which had a total revenue of 45.53 million Baht. This decreasing was attributed to export sales volume and domestic sales volume.

Cost of sales, Cost of distributions and Administrative Expenses:

For the three-month period ended 31 March 2020, the cost of sales was 32.02 million Baht, decreasing by 8.64% from the same period in the previous year which had a cost of sales of 35.05 million Baht.

The Company's Gross Profit was 9.95 million Baht which had a Gross Profit Margin of 23.71%, not much different from period of previous year which had a Gross Profit Margin of 23.02%. This increase was mainly from the Company managing to reduce costs such as energy cost and packing material cost.

For the three-month period ended 31 March 2020, the cost of distributions and administrative expenses was 7.47 million Baht, decreasing from the same period of previous year which had a cost of distributions and administrative expenses of 7.98 million Baht, mainly due to decrease of the sales promotion expense.

Net profit and Net profit margin

For the three-month period ended 31 March 2020, the Company's Net Profit was 4.02 million Baht which had a Net Profit Margin of 9.23%, more than which of the same period of the previous year which was 2.89 million Baht or net profit margin of 6.29%. Company managing to reduce cost of sales, cost of distributions and administrative expenses.

Company and subsidiary have revenue from the sales of 47.81 million Baht, cost of sales was 34.98 million Baht, net profit was 3.88 million Baht. Increase in Net Profit Margin was from net profit of Separate financial statements.

Please be informed accordingly.

Best Regards,



Home Pottery Public Company Limited

(Mr. Niran Chourkittisopon)
Managing Director