



Multibax Public Company Limited  
211 Moo 3 Thungsukla, Sriracha,  
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MBAX 003/2563

August 13, 2020

Subject : Clarification of the operating results which are deviated more than 20%

To : The Managing Director  
The Stock Exchange of Thailand

- ❖ Multibax Public Company Limited would like to clarify the operating results which are deviated more than 20% from the same period last year, for three months ended June 30, 2020 as follows:

### 1. Revenue of sales

Total revenue was accounted for 916.36 million Baht, increased by 242.68 million Baht or 36.02 percent compared to the same period last year (673.68 million Baht).

### 2. Cost of sales

Total cost of sales was accounted for 747.11 million Baht, increased by 161.64 million Baht or 23.39 percent compared to the same period last year (605.47 million Baht).

### 3. Selling and Administrative Expenses

Total selling and administrative expenses were accounted for 63.07 million Baht, increased by 0.89 million Baht or 1.71 percent compared to the same period last year (52.18 million Baht).

### 4. Finance costs

Finance costs was accounted for 5.84 million Baht, decreased by 0.75 million Baht or 14.73 percent compared to the same period last year (5.09 million Baht).

### 5. Other Income and Gain on exchange rate

Other income and gain on exchange rate were accounted for 5.09 million Baht, decreased by 10.16 million Baht or 66.62 percent compared to the same period last year (15.25 million Baht).

### 6. Tax Expenses

Tax expenses was accounted for 15.22 million Baht, increased by 14.57 million Baht compared to the same period last year (0.65 million Baht).

### 7. Net Profit

Net profit was accounted for 100.20 million Baht, increased by 74.65 million Baht or 292.17 percent compared to the same period last year (net profit 25.55 million Baht).

## Reasons for the increase of net profit for six months ended June 30, 2020 were:

1. Revenue from sales increased by 242.68 million baht or 36.02 percent, from the higher sales quantity and the selling prices per unit. The main contributing factor to this outstanding performance is from the sales of the innovative product which is the food bag with special feature to enhance the usage properties. Sales of this item was started from the last quarter of 2019 and up to the second quarter of this year, has shared 59.48% of the increasing sales quantity. In addition, the situation of the coronavirus (COVID-19) pandemic provides the positive impact to the plastic bag industry from the substantially increasing consumption of plastic packaging. This phenomenon comes from the facts that plastic bag has the good properties to use as the packaging, cost is very competitive and the most important point is the safety measures that comply with all international standards when it is used as the food contact packaging. Sales of the plastic bag is indeed climbed up significantly from the first quarter of this year since then.
2. Cost of sales decreased from 89.87 percent in 2019 to 81.53 percent in 2020, reflected from the lower price of plastic resin. As well, the company continuously control the production cost, other expenses and variable costs well enough that the downtrend of all relevant cost in all products produced were observed. As well, the overhead costs per unit were decreased since the production quantities were higher. From the above reason, the gross profit for this year had been recorded at 169.25 million Baht, increased by 101.03 million baht or 148.11 percent.
3. Total selling and administrative expenses were increased by 0.89 million Baht or 1.71 percent, from the increasing of the selling and export expenses since the sales quantity were higher. Anyway, the administrative expenses were somehow decreased.
4. Finance costs increased by 0.75 million Baht or 14.73 percent, from the interest of the long-term loans that facilitated the construction of the new building .
5. Other income and gain on exchange rate were decreased by 10.16 million Baht or 66.62 percent, from the highly volatile fluctuation of Thai baht against US dollar.
6. Tax expenses were increased by 14.57 million Baht. This is tally with higher earnings and no absorbance from the accumulated loss privilege.
7. In summary, the revenue of sales increased from higher sales quantity and selling price, the cost of sales decreased from the price of plastic resin, the good controls of the production costs and the introduction of the innovative product, so the gross profit was recorded at 169.25 million Baht, increased by 101.03 million Baht or 148.11 percent. Combining with all other factors including the increased of the selling-administrative and tax expenses, decreasing of the other income and gain on exchange rate, still, the outcome of the net profit for six months ends June 30, 2020 was recorded at 100.20 million Baht. This net profit was increased by 74.65 million Baht or 292.17 percent when compared to the same period of 2019 (25.55 million Baht).

For your acknowledgement.

Yours Sincerely,

Signature \_\_\_\_\_  
(Mr. Pisuth Lertvilai)  
Deputy Managing Director