

**Re:** Explanations and analysis from the management for first quarter 2021 ended 31 March 2021

**To:** The President  
The Stock Exchange of Thailand

Dynasty Ceramic Public Company Limited (“the Company”) would like to submit the Audited Separate Financial Statements and Consolidated Financial Statements for the First Quarter 2021 and clarify the operating results for the First Quarter 2021 compared with the same period in 2020 as follows:

### **Operating results of the consolidated financial statements**

Statement of Comprehensive Income	Q1/2021		Q1/2020		% Increase/ (Decrease)
	Million Baht	%	Million Baht	%	
Revenue from sales	2,413.3	100%	2,177.3	100%	11%
Cost of sales	(1,382.2)	-57.3%	(1,318.2)	-60.5%	5%
<b>Gross profit</b>	<b>1,031.1</b>	<b>42.7%</b>	<b>859.0</b>	<b>39.5%</b>	<b>20%</b>
Other income	22.6	0.9%	16.7	0.8%	36%
Distribution costs	(229.3)	-9.5%	(214.4)	-9.8%	7%
Administrative expenses	(201.6)	-8.4%	(216.7)	-10.0%	-7%
Finance costs	(6.9)	-0.3%	(19.0)	-0.9%	-64%
<b>Profit (loss) before income tax</b>	<b>615.9</b>	<b>25.5%</b>	<b>425.5</b>	<b>19.5%</b>	<b>45%</b>
Income tax	(120.8)	-5.0%	(64.7)	-3.0%	87%
<b>Total profit (loss) income for the period</b>	<b>495.1</b>	<b>20.5%</b>	<b>360.9</b>	<b>16.6%</b>	<b>37%</b>
Other profit (loss) comprehensive income for the period, net of tax	10.1	0.4%	-	0.0%	100%
<b>Total profit (loss) comprehensive income for the period</b>	<b>505.2</b>	<b>20.9%</b>	<b>360.9</b>	<b>16.6%</b>	<b>40%</b>

**Profit(loss) attributable to :**

<b>Owner of the Company</b>	<b>493.1</b>	<b>20.4%</b>	<b>367.3</b>	<b>16.9%</b>	<b>34%</b>
Non-controlling interests	1.9	0.1%	(6.4)	-0.3%	-130%

First Quarter 2021 operating result ending 31 March 2021 comparing with the same period of the previous year. Total income 2,413.3 million Baht increased 236.0 million Baht or 11% from sales volume of 17.3 million square meters, an increase of 10

percent average selling price slightly increased. The average production volume of 15.4 million square meters or an increase of 3 percent. The cost of energy which was the main factor of the cost of production slightly increase from the previous year and began to increase in March 2021, resulting in a gross profit margin of 42.7 percent, an increase from the previous year with a gross profit of 39.5 percent, other income of 22.6 million baht, an increase of 5.9 million baht or 36 percent from Branch rental area income increased by 5.6 million baht. Profit from Sales of assets of the company and its subsidiaries and miscellaneous includes an additional 0.69 million baht for this period, there is no interest income form the subsidiary's promissory note received from the sale of long-term investment of 0.37 million baht as the subsidiary received payment of the promissory note, At the end of 2020, the cost of distribution increased by 14.9 million baht, or 7 percent, due to the increase in sales as well as the average diesel price increased by 10 percent. Administrative expense decreased 15.1 million Baht or 7%. There are other cost reductions in accordance with the management policy to be more efficient. Financial cost decreased 12.1 million Baht or 64% which is periodical interest and paid up loan of 965.0 million Baht .Moreover, the loan interest rate decreased. Income tax expenses increased by 56.1 million baht or 87 percent from the increased profit. This resulted in a total net profit of 495.1 million baht, divided into interests in subsidiaries that were not in the control of 1.9 million baht, the remaining profit attributable to the shareholders of the company totaled 493.1 million baht, and increase of 125.8 million baht from the previous year or 34% with earning per share of 0.060 baht per share, this is another quarter that the company has the best performance since doing business.

*Note: Quarter 1/2021, the company invested 91.87% of the ordinary shares of the Royal Ceramic Industry Public Company Limited ("RCI"). As for the first quarter of 2020 for comparison, the company has an investment in RCI shares of 84.88 percent of total paid-up ordinary shares.*

## **Financial Position**

Statement of Financial Position	As of 31 Mar 2021		As of 31 Dec 2020		% Increase/ (Decrease)
	Million Baht	%	Million Baht	%	
<b>Total Assets</b>	<b>8,633.9</b>	<b>100%</b>	<b>8,795.6</b>	<b>100%</b>	<b>-2%</b>
Total Current Assets	2,240.9	26%	2,304.9	26%	-3%
Total Non-Current Assets	6,393.0	74%	6,490.8	74%	-2%
<b>Total Liabilities</b>	<b>3,631.2</b>	<b>42%</b>	<b>3,937.4</b>	<b>45%</b>	<b>-8%</b>
Total Current Liabilities	2,958.3	81%	3,240.3	82%	-9%
Total Non-Current Liabilities	672.9	19%	697.1	18%	-3%
<b>Total Shareholders' Equity</b>	<b>5,002.7</b>	<b>58%</b>	<b>4,858.3</b>	<b>55%</b>	<b>3%</b>

**Total Assets** of the company and its subsidiaries as of 31 March 2021 amounted 8,633.9 million Baht, decreased from the total asset of the company and its subsidiaries at 31 December 2020 of 161.7 million Baht or 2% from Trade account receivable and

other receivables increased 82.7 million Baht or 58% from selling more to credit-customers. Inventories decreased 155.1 million Baht or 7% Due to increased sales and inventory management, branches are more efficient. Asset usage rights decreased 20.6 million Baht or 4% from the term of the some area lease have expired.

**Total Liabilities** of the company and its subsidiaries as of 31 March 2021 amounted in 3,631.2 million Baht decreased from the end of 2020 amounted 306.2 million Baht or 8% from decreased in short-term loan of 965.0 million Baht or 45. Trade and other current payables increased by 569.2 million baht, or 72 percent, partly from the accrued dividend in quarter 4/2020 of 360.8 million baht due on April 27, 2021. Accrued income tax increased 119.6 million Baht or 65%. It was the income tax portion of the first quarter of 2021.

**Total shareholder's equity** of the company and its subsidiaries as of 31 March 2021 amounted in 5,002.7 million Baht, increased from the end of 2020 amounted 144.4 million Baht or 3% from mostly the unappropriated profit increased by 142.4 million baht or 4%, increased from the Company's total comprehensive income in Q1/2021 of 503.2 million baht. Unappropriated profit increased 142.4 million Baht or 4% from company profit in first quarter 2021 amounted 503.2 million Baht and a decrease of 360.8 million baht from dividend in Quarter 4/2020.

Together with this analysis, the Company also submitted the reviewed financial statements for the first quarter of 2021 through the electronic media of SET.

Yours sincerely,

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Chief Executive Officer

Secretary Office  
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