

August 13, 2020

Managing Director

Stock Exchange of Thailand

Subject : Management Discussion and Analysis for three month Ending 30 June 2020

| | Summary on Second Quarter result | |
|-------------------------------|----------------------------------|----------|
| | Million Baht | |
| | 2020 | 2019 |
| Sales | 1,879.42 | 1,748.29 |
| Cost of Sales | 1,570.97 | 1,636.11 |
| Gross Margin | 308.45 | 112.18 |
| Gain (loss) on exchange rates | 101.34 | 38.44 |
| Other Incomes | 10.12 | 33.76 |
| Total Revenues | 1,990.88 | 1,820.49 |
| Distribution Expense | 63.21 | 50.30 |
| Administrative Expense | 59.70 | 73.65 |
| Finance Costs | 21.95 | 24.29 |
| Net Profit | 271.25 | 32.34 |
| Earnings per share (Baht) | 0.679 | 0.081 |

The comparison between Second Quarter of 2020 and 2019

1. Sales Revenue increased by 131.13 million baht or 7.50% from 1,748.29 million baht in 2019 to 1,879.42 million baht in 2020, the main reason for revenue increased were market demand increased, as a result the company has a higher gross margin from the same period last year.
2. Sales cost to revenue ratio decreased by 10.00% (from 93.58% in 2019 to 83.58% in 2020) due to production efficiency control and cost of raw materials has decreased when compared to the same quarter of the last year.
3. Other income of the company consists of scrap sales and tax cards income mainly.
4. Gain from foreign exchange increased by 62.90 million baht (from 38.44 million baht to 101.34 million baht) due to the company tried to reduce financial risk by hedging against forward exchange contracts an impact from fluctuation of exchange rate.

5. Distribution Expense increased by 12.91 million baht (from 50.30 million baht in 2019 to 63.21 million baht in 2020) due to increased sales.
6. Administrative Expense decreased by 13.95 million baht (from 73.65 million baht in 2019 to 59.70 million baht in 2020) because the company has a policy to spend more efficiency.
7. Finance costs it consists of interest expenses and bank fees decreased by 2.34 million baht(from 24.29 million baht in 2019 to 21.95 million baht in 2020) because the company has a lower loan burden from regular repayments of loans and interest.
8. The performances increased by 238.91 million baht (from the profit of 32.34 million baht to the profit of 271.25 million baht) as aforesaid.

Yours Sincerely,

Kittiphat Suthisamphat
Executive Vice President