

August 11, 2022

Re : Management Explanation and Analysis of Operating Results for 2nd quarter of 2022

To : The President of the Stock Exchange of Thailand

The company and its subsidiaries ("the Group Company") reported that for the financial statements for 2nd quarter of 2022, the Group Company's profit before tax was baht 158.06 million and corporate tax expense was baht 33.74 million. As a result, the net profit was baht 124.31 million. The comprehensive profit only the part of the parent company was baht 135.48 million. The Group company profit has increased resulting the increasing in the selling prices compared to the same period in 2021. And comparing the average price of field latex of 2021 and 2022, the price was baht 58.32 per kilogram in 2021 and went up to baht 63.70 per kilogram in 2022, the increase of 9.22% (Source: Rubber Authority of Thailand).

For six month period of 2022, the Group Company had sales and service income of baht 5,131.05 million comparing to the same period of 2021 which was baht 4,496.78 million, the increase of 14.10% or baht 634.27 million. It was mainly from the continuing higher demand of latex and pre-vulcanized latex product and the price of field latex for the domestic market was higher than the previous year. Cost of sales and service for six month period of 2022 comparing to the same period last year was baht 4,377.71 million and baht 3,764.91 million, the increase of 16.27% or baht 612.80 million this was slightly higher than the increase in sales and service revenue. Net profit for the six month period was baht 267.91 million higher than net profit for the six month period for 2021 which was baht 215.79 million was baht 52.12 million. The net profit attributable to the parent company for the six-month period of 2022 amounted to baht 268.49 million.

The company and its subsidiary companies had financial operating results as follows:

1. For six month period of 2022, latex and pre-vulcanized latex group had profit before tax baht 200 million, was decreased from the six month period of 2021 amount to baht 23 million due to the increasing in cost of sales and services form the current global situation, causing the price of raw materials to be increased, such as chemicals and fuels.

2. For six month period of 2022, finished product group had profit before tax baht 154 million increased from six month period of 2021 amount to baht 71 million the resulting from increasing in demand from rubber products. This was due to the demand for rubber products that grew in line with the trend of related industries such as textile and garment industries. Materials and medical equipment, etc., because of the group's products have good qualities which meet demand.

3. For six month period of 2022, rubber plantation group had baht 6 million loss before tax, was decreased from the six month period of 2021 amount to baht 5 million, because of starting rubber tapping is speed up and higher price of the latex resulting in higher sales revenue. While the cost of production costs still as the same.

Please be informed accordingly,

Yours faithfully,

(Mr.Vorathep Wongsasuthikul)

Chairman