

Translation

MD&A

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

For the three-month period ended March 31, 2021

Major attributes to the Company's operating performance variations between Q1/2021 and Q1/2020 are:

1. Total sale revenues decreased Baht 41.68 million (4.4%) from Baht 945.05 million to Baht 903.37 million because freight expenses to all regions sharply increased since the end of 2020, as a result, customers delayed orders in order to wait for situation be recovered. Therefore, the Company could not deliver shipments as scheduled. However, this situation started to recover since the end of Quarter 1/2021, then, Company's logistic management is better. For customers' demands, there are continuing orders from major customers in the U.S. due to more demands and to trade war between the U.S and China, resulting that Thai has advantage over China
2. Cost of sales decreased Baht 26.01 million (3.5%) from Baht 734.89 million to Baht 708.88 million in concurrent with a decrease in total sale revenues. Moreover, steel price of Q1/2021 is close to that of Q1/2020.
3. Gross profit decreased Baht 15.67 million (7.5%) from Baht 210.16 million to Baht 194.49 million. At the same time, gross profit margin slightly decreased from 22.2% to 21.5% because Baht currency was stronger by 3.2%
4. Cost of distribution increased Baht 12.47 million (24.6%) from Baht 50.60 million to Baht 63.07 million because freight expenses to all regions sharply increased as mention earlier. Moreover, sale promotion expense increased.
5. Income tax decreased Baht 7.70 million (21.6%) from Baht 35.71 million to Baht 28.01 million in concurrent with an decrease in operational profit at the same tax rate of 20%
6. Net profit for the period decreased Baht 31.74 million (21.7%) from Baht 146.32 million to Baht 114.58 million because of a decrease in sale revenues as well as an increase in distribution expenses.

Yours sincerely,

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Mr. Surasak Urpsirisuk

Managing Director