

Translation

MD&A

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

For the three-month period ended September 30, 2021

Major attributes to the Company's operating performance variations between Q3/2021 and Q3/2020 are:

1. Total sale revenues increased Baht 173.08 million (18.1%) from Baht 956.39 million to Baht 1,129.47 million while sale quantities of Q3/2021 are close to sale quantities of Q3/2020 affected from lack of shipping space; as a result, the company cannot accelerate to export and ending finished goods increased. However, demand from customers, especially customers in North America, are still growth. For average selling price, it increased in concurrent with an increase in raw material price (Steel). Moreover, sale proportion of 3-pieces cylinders which are more expensive than other products increased. Finally, the Company, as an exporter, benefited from Baht weaker
2. Cost of sales increased Baht 158.35 million (22.9%) from Baht 690.71 million to Baht 849.06 million in concurrent with an increase in total sale revenues. Cost increased due to an increase in raw material price (steel); however, the Company already adjusted selling price according to that price changed
3. Gross profit increased Baht 14.73 million (5.5%) from Baht 265.68 million to Baht 280.41 million in concurrent with an increase in sale revenues. Gross profit margin of Q3/2021 is at 24.8% which decreased from Q3/2020 at 27.8% because price of raw material increased. However, the Company already adjusted selling price according to that price changed
4. Other income increased Baht 17.51 million (28.7%) from Baht 61.05 million to Baht 78.56 million from revenue from scrap sale increased in concurrent with an increase in steel market price
5. Cost of distribution increased Baht 31.30 million (55.1%) from Baht 56.77 million to Baht 88.07 million because freight expenses to all regions have sharply increased since the end of 2020, net with sale promotion expense decreased.
6. Administrative expenses increased Baht 15.89 million (36.0%) from Baht 44.11 million to Baht 60.00 million because Baht weaker caused loss from exchange rate from liabilities net against account receivables in foreign currency
7. Financial cost increased Baht 1.15 million (61.2%) from Baht 1.88 million to Baht 3.03 million because raw material price increased, as a result, liabilities from purchasing raw materials increased. While interest rate is stable.

8. Profit for the period decreased Baht 13.56 million (7.5%) from Baht 180.46 million to Baht 166.90 million because of an increase in sale revenues and gross profit, net with an increase in cost of distribution and loss from exchange rate.

Yours sincerely,

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Mr. Surasak Urpsirisuk

Chairman of the Executive Board and Managing Director