

## Translation

### MD&A

#### SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

For the year ended December 31, 2021

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

1. Total sale revenues increased Baht 576.97 million (14.5%) from Baht 3,973.38 million to Baht 4,550.35 million because average selling price increased in concurrent with an increase in world market price of raw material (Steel). Moreover, sale proportion of 3-pieces cylinders which are more expensive than other products increased. However, sale quantities of 2021 are close to sale quantities of 2020 affected from lack of shipping space; as a result, the company cannot accelerate to export and ending finished goods increased. For customers' demands, especially customers in North America, demands are still growth. Finally, the Company, as an exporter, benefited from Baht weaker
2. Cost of sales increased Baht 452.99 million (15.1%) from Baht 3,003.30 million to Baht 3,456.29 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 123.98 million (12.8%) from Baht 970.08 million to Baht 1,094.06 million in concurrent with an increase in sale revenues. Gross profit margin of 2021 is at 24.0% which close to 2020 at 24.4%
4. Other income increased Baht 60.46 million (24.7%) from Baht 244.29 million to Baht 304.75 million from revenue from scrap sale increased in concurrent with an increase in steel market price
5. Cost of distribution increased Baht 98.16 million (40.3%) from Baht 243.40 million to Baht 341.56 million because freight expenses to all regions have sharply increased since the end of 2020, net with sale promotion expense decreased.
6. Financial costs increased Baht 2.48 million (30.2%) from Baht 8.20 million to Baht 10.68 million because liabilities from imported raw materials increased regarding to raw material price increased. At the same time, interest rate was stable
7. Income Tax decreased Baht 27.96 million (19.0%) from Baht 147.04 million to Baht 119.08 million while operating income increased because the Company granted for an exemption from corporate income tax from Board of Investment (BOI)

8. Profit for the year increased Baht 109.07 million (17.6%) from Baht 618.71 million to Baht 727.78 million because of increases in sale revenues, gross profit and other income, net with increases in cost of distribution financial cost and income tax benefit.

Yours sincerely,

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Mr. Surasak Urpsirisuk

Chairman of the Executive Board and Managing Director