

November 11, 2021

Re : Management Explanation and Analysis of Operating Results for 3<sup>rd</sup> quarter of 2021

To : The President of the Stock Exchange of Thailand

The company and its subsidiaries ("the Group Company") reported that for the financial statements for 3<sup>rd</sup> quarter of 2021, the Group Company's profit before tax was baht 146.62 million and corporate tax expense was baht 36.65 million. As a result, the net profit was baht 109.97 million. The comprehensive profit only the part of the parent company had net profit after tax was baht 134.58 million. For the financial statement for 9-month period of 2021, it had profit before tax baht 441.36 million and corporate tax expense was baht 115.60 million, so the Group Company's had net profit of baht 325.76 million and the profit attributable to only the part of the parent company was baht 387.08 million for the period. Because of rising demand from concentrated latex and pre-vulcanized latex products during the COVID-19 which still outbreaks around the world comparing to the same period of last year. In addition, the Group Company had increased sales volume in 2021 and comparing the average price of field latex of 2020 and 2021, the price was baht 43.88 per kilogram in 2020 and went up to Baht 47.07 per kilogram in 2021 increase by 7.27% (Source: Rubber Authority of Thailand)

For the 9-month period of 2021, the Group Company had sales and service income baht 6,672.52 million comparing to the same period last year which was baht 4,662.98 million, the increase of 43.10% or baht 2,009.54 million. It was mainly from the higher demand of concentrated latex and pre-vulcanized latex product during the outbreak of COVID-19 and the price of field latex was higher than the previous year. Cost of sales and service for the 9-month period of 2021 comparing to the same period last year was baht 5,549.49

million and baht 4,245.63 million. Accordingly, the increase of 30.71% or baht 1,303.86 million inline to the increase in revenues.

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

1. For the 9-month period of 2021, Concentrated and prevulcanized latex group had profit before tax baht 288 million. Increased by baht 207 million comparing to the same period of the year 2020. Concentrated latex and processed latex still have high demand due to Covid-19 pandemic. In addition, company's exports sales have increased in high proportion of revenue, increased of the latex price and also the Thai baht is weaken against US dollar in the 3<sup>rd</sup> quarter., therefore it lead to company's revenue increasing remarkably. In addition, the Company has increase production capacity according to market demand and improved its management to set the selling price and cost efficiency.

2. For the 9-month period of 2021, finished product group had profit before tax baht 168 million. Increased by baht 311 million comparing to the same period of the year 2020. The effect from increasing in demand from rubber products by COVID-19 outbreak. However, the group's business were continue to expand new markets both domestic and overseas because of the group's products have good qualities to meet demand.

3. For the 9-month period of 2021, rubber plantation business group had loss before tax baht 15 million, its equal to the same period last year in 2020. Due to many factors, the fluctuation in rubber price and increase in operation cost, resulted in this group still had loss.

Please be informed accordingly,

Yours faithfully,

(Mr.Vorathep Wongsasuthikul)

Chairman

