

Ocean Glass Public Company Limited

Management Discussion and Analysis

Consolidated Financial Results
For the period ended March 31, 2021

Operating Results

In the 1st quarter of 2021, Ocean Glass Public Company Limited and its subsidiaries (“the Company”) reported consolidated revenues of Baht 272.1 million, decreased by 1.8% compared to the same quarter last year. Sales revenues reported at Baht 271.0 million, decreased by 1.8%, due to hotels, restaurants and, local distributors delaying their orders in order to reduce the impact from the measurement to prevent the spread of 3rd wave COVID-19. As a results, domestic sales decreased by 11.8%, while export sales increased by 1.6%, majorly from China, ASEAN, and America. The Company reported other revenue at Baht 1.1 million, increased by 9.1% from transportation, sales of scraps and obsolete equipment.

Gross profit margin increased from 35.2% to 36.5% due to product mix of high margin products. Total expenses were Baht 303.4 million, decreased by 24.2% through budget controlled measurement. However, the Company had temporary shutdown expenses for maintenance and inventory management amounted 56.4 increased by 25.7%. As a result, the Company reported net loss of Baht 33.3 million. Loss per share reported at Baht 1.56.

Statement of Comprehensive Income

▪ Total Revenues (Million Baht)

	Quarterly		Change
	1/2021	1/2020	%
Sales			
Domestic Sales	62.7	71.0	(11.8)
Export Sales	208.3	205.1	1.6
Total Sales	271.0	276.1	(1.8)
Other Income	1.1	1.0	9.1
Total Revenues	272.1	277.1	(1.8)

▪ **Total Expenses (Million Baht)**

	Quarterly		Change
	1/2021	1/2020	%
Cost of Goods Sold	172.0	178.8	(3.8)
Temporary Shutdown Expenses	56.4	44.8	25.7
Loss (reversal) on the decline in value of inventory	(6.5)	6.0	(208.2)
Selling Expenses	49.1	63.6	(22.8)
Administrative Expenses	25.4	32.8	(22.5)
Foreign Exchange Loss	7.0	74.2	(90.5)
Total Expenses	303.4	400.2	(24.2)

▪ **Cost of Goods Sold**

Total cost of goods sold presented at Baht 172.0 million, decreased by 3.8% along with the decline in sales value.

▪ **Temporary Shutdown Expenses**

Temporary shutdown for maintenance and inventory management presented at Baht 56.4 million, increased by 25.7%.

▪ **Loss (reversal) on the decline in value of inventory**

The Company had reversal on the decline in value of inventory presented at Baht 6.5 million, while the same quarter last year had a loss of Baht 6.0 million.

▪ **Selling and Administrative Expenses**

Selling expenses presented at Baht 49.1 million, and administrative expenses presented at Baht 25.4 million, decreased by 22.8% and 22.5% respectively from expenses controlled measurements.

▪ **Loss on Foreign Exchange**

Loss on foreign exchange presented at Baht 7.0 million, decrease by 90.5% from forward contract.

▪ **Finance Costs**

Finance costs presented at Baht 6.6 million, increased by 56.0% from the interest of long-term loan drawn up to the maturity of the contract.

Statements of Financial Position as at March 31, 2021

	March 31, 2021 (Million Baht)	December 31, 2020 (Million Baht)	Change (%)
Current Assets	1,121.2	1,191.8	(5.9)
Non-Current Assets	2,224.1	2,248.0	(1.1)
Total Assets	3,345.3	3,439.8	(2.7)
Current Liabilities	966.3	1,004.9	(3.8)
Non-Current Liabilities	578.0	601.1	(3.8)
Total Liabilities	1,544.3	1,606.0	(3.8)
Total Shareholders' Equity	1,801.0	1,833.8	(1.8)
Current Ratio (times)	1.16	1.19	
Debt to Equity Ratio (times)	0.86	0.88	

Total Assets

As of March 31, 2021, total assets presented at Baht 3,345.3 million, decreased by 2.7%. Current assets were Baht 1,121.2 million, decreased by 5.9% from trade accounts receivable and finished products. Non-current assets presented at Baht 2,224.1 million, decrease by 1.1% from the depreciation net with investment in machine and equipment during the period.

Total Liabilities

Total liabilities presented at Baht 1,544.3 million, decreased by 3.8% from the increment of short-term loan.

Total Shareholders' Equity

Total shareholders' equity presented at Baht 1,801.0 million, decreased by 1.8% from the recognition of operating loss during the period.