



OCEAN GLASS PUBLIC COMPANY LIMITED

**Management Discussion and Analysis
Consolidated Financial Results
For the period ended June 30, 2022**

Strategies and Business Directions

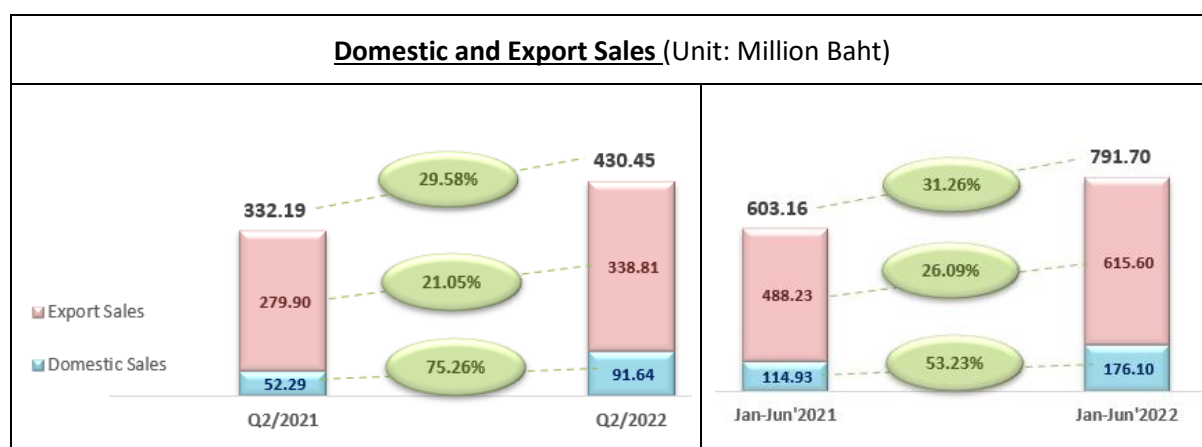
In Q2/2022, the Company and its subsidiaries are on track toward the target. This was driven by rising demand along with the recovery of tourism industry both domestically and internationally. However, the Company still faced with challenges from energy and raw material prices increasing. The Company, therefore, has planned to adjust sales price along with the expenses control measurement to mitigate such impacts.

Operating Results : 2nd Quarter of 2022, ended June 30, 2022

Statement of Comprehensive Income	Quarterly		Change (%)	(Million Baht)		Change (%)
	2/2022	2/2021		Six-month End June 30,		
			2022	2021		
Revenue from sales	430.45	332.19	29.58	791.70	603.16	31.26
<i>Domestic Sales</i>	91.64	52.29	75.26	176.10	114.93	53.23
- <i>Domestic Sales - Traditional Offline</i>	84.85	50.08	69.44	163.35	111.05	47.10
- <i>Domestic Sales - E-Commerce</i>	6.79	2.21	207.43	12.75	3.88	229.00
<i>Export Sales</i>	338.81	279.90	21.05	615.60	488.23	26.09
Foreign exchange gain	-	-	N.A.	2.88	-	N.A.
Other income	5.16	1.36	281.03	15.28	2.49	514.76
- <i>Freight income</i>	4.58	0.61	647.47	13.87	1.52	813.64
- <i>Other</i>	0.58	0.75	(21.70)	1.41	0.97	46.07
Total revenues	435.61	333.55	30.60	809.86	605.65	33.72
Cost of goods sold	328.90	223.54	47.13	583.09	395.55	47.41
Temporary shutdown expenses	26.70	31.40	(14.97)	66.11	87.80	(24.70)
Loss (reversal) on the decline in value of inventory	5.09	0.68	651.11	8.69	(5.80)	(249.76)
Selling expenses	69.33	48.83	42.00	137.31	97.93	40.21
Administrative expenses	31.13	25.40	22.58	56.73	50.82	11.64
Foreign exchange loss	0.63	6.50	(90.26)	-	13.53	(100.00)
Total expenses	461.78	336.35	37.29	851.93	639.83	33.15
Profit (loss) from operating activities	(26.17)	(2.80)	830.65	(42.07)	(34.18)	23.08
Finance cost	5.60	3.66	53.23	11.20	10.22	9.50
Profit (loss) before income tax	(31.77)	(6.46)	391.22	(53.27)	(44.40)	19.95
Income tax expenses (income)	(6.05)	(0.56)	973.23	(8.90)	(5.22)	70.36
Profit (loss) for the year	(25.72)	(5.90)	335.62	(44.37)	(39.18)	13.23
Other comprehensive income (loss) for the year	0.23	0.60	(62.34)	0.06	1.15	(95.14)
Total Other comprehensive income (loss) for the year	(25.49)	(5.30)	381.31	(44.31)	(38.03)	16.52
Basic earnings (loss) per share (Baht)	(1.21)	(0.28)	332.14	(2.08)	(1.84)	13.04

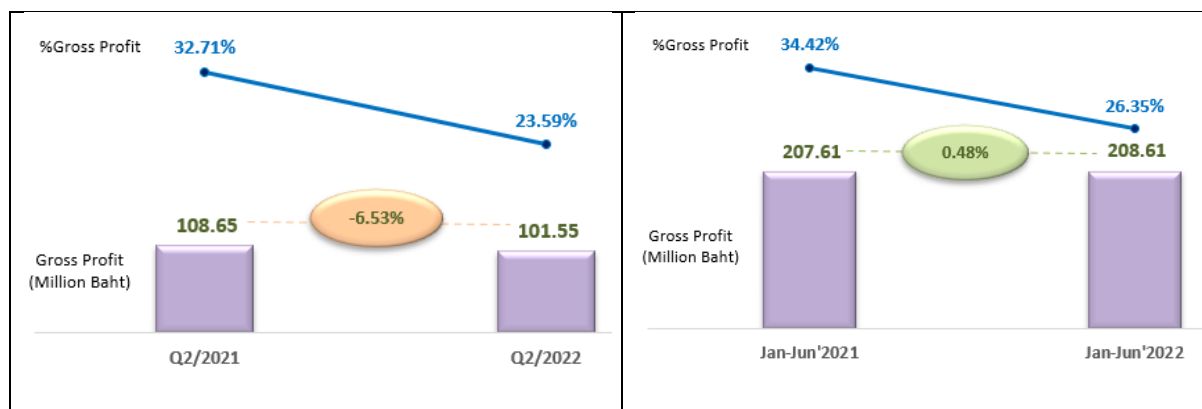
1. Revenues

- In Q2/2022, Ocean Glass Public Company Limited and its subsidiaries (“the Company”) reported consolidated revenues of Baht 435.61 million, increased by 30.60%. Sales revenues reported at Baht 430.45 million, increased by 29.58% compared to the same quarter last year from the recovery of tourism industry both domestically and internationally and Thai Baht depreciation against US Dollar. Export sales increased by 21.05% compared to the same quarter last year, mainly from export to India, America, Middle East, and Europe; while domestic sales increased by 75.26% due to the increased demand in HORECA and growth of sales from E-Commerce channel. Domestic and export sales proportion reported at 21:79, while Q2/2021 reported at 16:84.
- For six-month period, the Company reported consolidated revenues of Baht 809.86 million, increased by 33.72%. Sales revenues reported at Baht 791.70 million, increased by 31.26% compared to the same period last year.



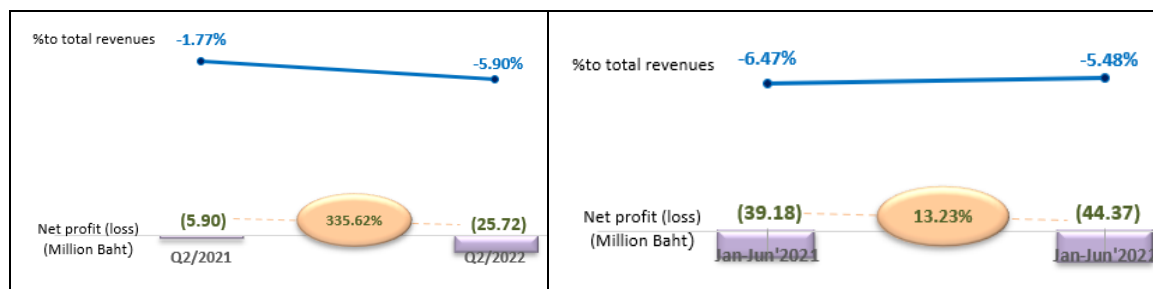
2. Gross Profit and Gross Profit Margin

- In Q2/2022, the Company’s gross profit was Baht 101.55 million decreased by 6.53% compared to same quarter last year, while gross profit margins decreased from 32.71% to 23.59% due to the increasing of energy and raw material prices. However, the Company has adjusted the selling price to reduce the impact of the increased cost. It was expected that the new prices will be recognized in Q3/2022.
- For six-month period, gross profit was Baht 208.61 million increased by 0.48% compared to same period last year, while gross profit margins decreased from 34.42% to 26.35%.



3. Net Profit and Net Profit Margin

In Q2/2022, the Company reported net loss of Baht 25.72 million lower than Q2/2021. Net loss margin reached 5.90% of total revenues; while the Company reported net loss of Baht 44.37 million for the six-month period.



4. Cost of goods sold

Total cost of goods sold in Q2/2022 presented at Baht 328.90 million, increased by 47.13% compared to the same quarter last year; while six-month period reported cost of goods sold at Baht 583.09 increased by 47.41 along with the increased of sales, energy and raw material prices.

5. Temporary Shutdown Expenses

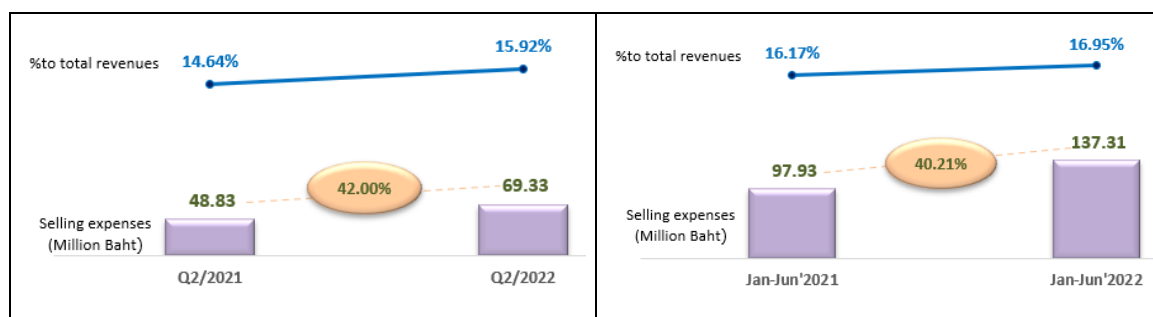
In Q2/2022, temporary shutdown for maintenance and inventory management causing expenses of Baht 26.70 million, decreased by 14.97% compared to same quarter last year; while six-month period decreased by 24.70% compared to same period last year to the increased of sales volume.

6. Loss (reversal) on the decline in value of inventory

In Q2/2022, loss on the decline in value of inventory presented at Baht 5.09 million.; while six-month period presented at Baht 8.69 million, primarily due to provision of obsolete for long-aged finished products and raw materials.

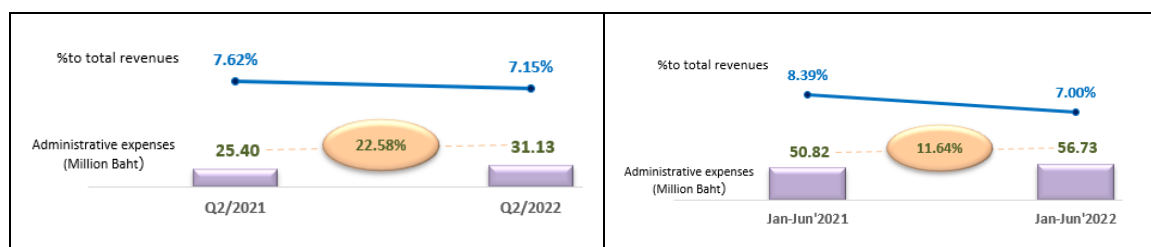
7. Selling Expenses

In Q2/2022, selling expenses presented at Baht 69.33 million, increased by 42.00%; while six-month period presented at Baht 137.31 increased by 40.21% due to the increment of transportation costs, traveling expenses of salespersons, online advertising and promotion expenses to support sales in domestically and internationally.



8. Administrative Expenses

Administrative expenses reported Baht 31.13 million, increased by 22.58% compared to the same quarter last year due to the recruitment to support sales expansion and hiring external consultant to improve operational efficiency. However, the Company continuously implement measures to control expenses. In six-month period, administrative expenses reported at Baht 56.73 million, increased by 11.64% compared to the same period last year.



9. Finance Costs

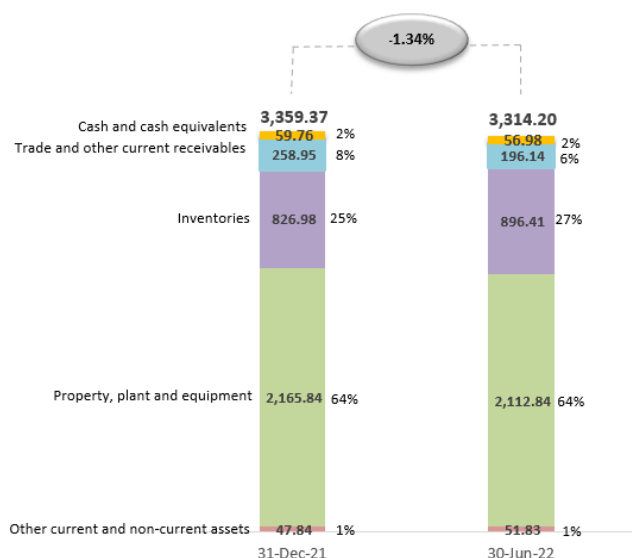
In Q2/2022, finance costs presented at Baht 5.60 million, increased by 53.23%; while six-month period reported at Baht 11.20 million, increased by 9.50% due to the increment of financing to support business operations.

Statements of Financial Position as at June 30, 2022

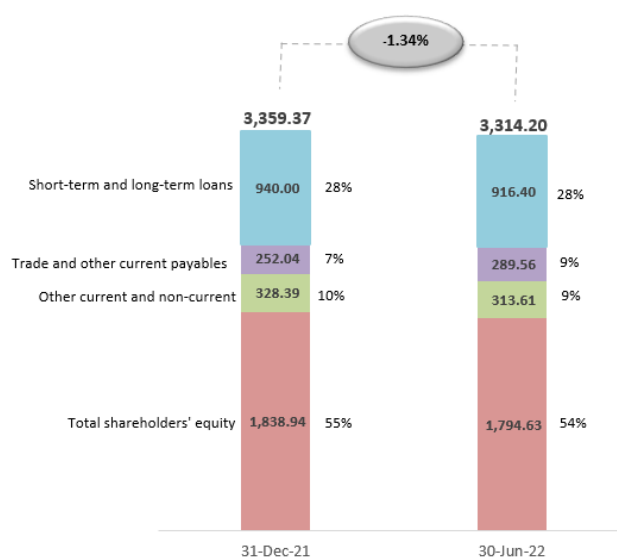
(Million Baht)

	June 30, 2022	December 31, 2021	Change (%)
Current Assets	1,163.11	1,162.56	0.05
Non-Current Assets	2,151.09	2,196.81	(2.08)
Total Assets	3,314.20	3,359.37	(1.34)
Current Liabilities	1,018.25	993.66	2.47
Non-Current Liabilities	501.32	526.77	(4.83)
Total Liabilities	1,519.57	1,520.43	(0.06)
Total Shareholders' Equity	1,794.63	1,838.94	(2.41)
Total Liabilities and Shareholders' Equity	3,314.20	3,359.37	(1.34)
Current Ratio (times)	1.14	1.17	
Debt to Equity Ratio (times)	0.85	0.83	

Total Assets
(Unit: Million Baht)



Total Liabilities and Shareholders' Equity
(Unit: Million Baht)



Total Assets

As of June 30, 2022, total assets presented at Baht 3,314.20 million, decreased by 1.34%. Current assets were Baht 1,163.11 million, increased by 0.05% from inventories. Non-current assets presented at Baht 2,151.09 million, decrease by 2.08% from the depreciation net with investment in machine and equipment during the period.

Total Liabilities

Total liabilities presented at Baht 1,519.57 million, decreased by 0.06% from repayment of short-term and long-term loans.

Total Shareholders' Equity

Total shareholders' equity presented at Baht 1,794.63 million, decreased by 2.41% from the recognition of operating loss during the period.