



OCEAN GLASS PUBLIC COMPANY LIMITED

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

Strategies and Business Directions

Ocean Glass started back focusing on HoReCa considering the change in consumer behavior as they started to dine out and travel to Thailand and around the world except for China and a few more countries. As a result, sales performance in Q3/2022 grew and exceeded the targeted sales. However, the Company still faces challenges the increased price of energy and raw material. The Company, therefore, has adjusted sales price along with the expenses control measurement to mitigate the impact of soaring input costs.

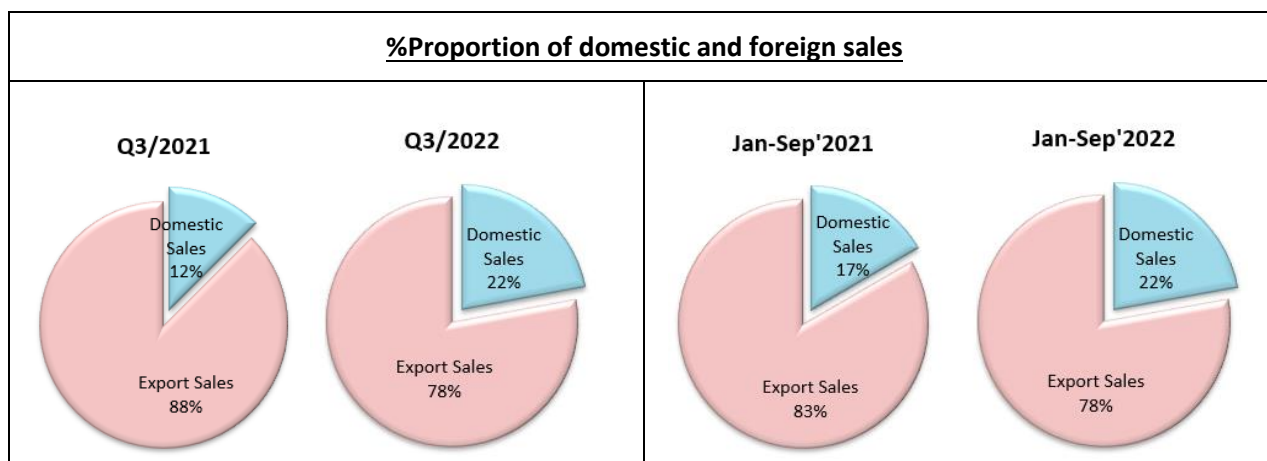
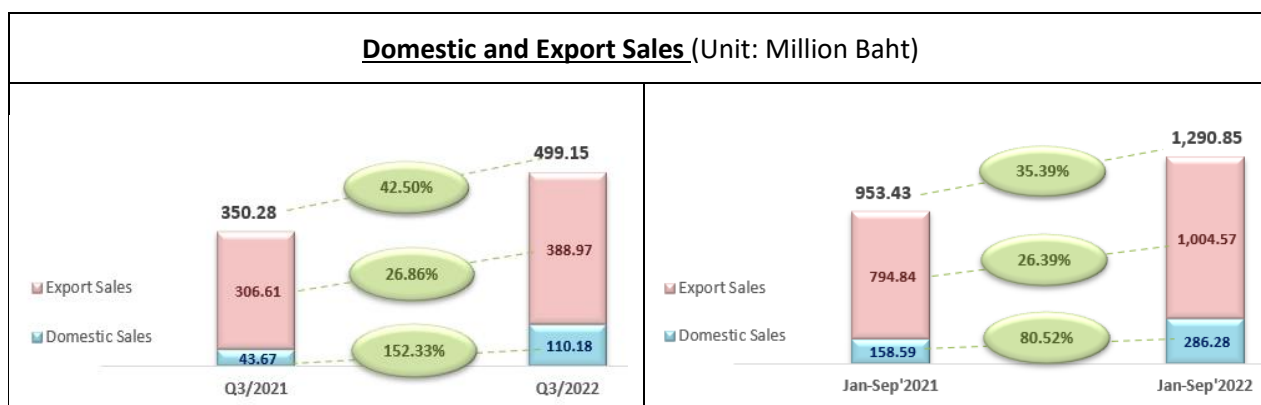
Operating Results: 3rd Quarter of 2022, ended September 30, 2022

(Million Baht)

Statement of Comprehensive Income	Quarterly		Change (%)	Nine-month End September 30,		Change (%)
	3/2022	3/2021		2022	2021	
Revenue from sales	499.15	350.28	42.50	1,290.85	953.43	35.39
<i>Domestic Sales</i>	110.18	43.67	152.33	286.28	158.59	80.52
- <i>Domestic Sales - Traditional Offline</i>	102.70	37.77	171.90	266.04	148.82	78.77
- <i>Domestic Sales - E-Commerce</i>	7.48	5.90	26.96	20.24	9.77	107.10
<i>Export Sales</i>	388.97	306.61	26.86	1,004.57	794.84	26.39
Other income	4.59	12.86	(64.35)	19.87	15.35	29.45
- <i>Freight income</i>	3.66	4.04	(9.51)	17.52	5.56	215.41
- <i>Other</i>	0.93	8.82	(89.45)	2.35	9.79	(76.05)
Total revenues	503.74	363.14	38.72	1,310.72	968.78	35.30
Cost of goods sold	346.34	229.31	51.04	929.44	624.85	48.74
Temporary shutdown expenses	26.69	38.15	(30.05)	92.80	125.94	(26.32)
Loss (reversal) on the decline in value of inventory	4.97	1.96	153.78	13.66	(3.84)	(455.62)
Selling expenses	69.03	56.63	21.89	206.34	154.57	33.50
Administrative expenses	29.00	26.80	8.19	85.73	77.62	10.45
Foreign exchange loss	6.99	21.39	(67.34)	4.10	34.93	(88.25)
Total expenses	483.02	374.24	29.06	1,332.07	1,014.07	31.36
Profit (loss) from operating activities	20.72	(11.10)	(286.58)	(21.35)	(45.29)	(52.86)
Finance cost	5.81	6.20	(6.26)	17.01	16.42	3.55
Profit (loss) before income tax	14.91	(17.30)	(186.16)	(38.36)	(61.71)	(37.84)
Income tax expenses (income)	2.84	(4.63)	(161.41)	(6.06)	(9.85)	(38.52)
Profit (loss) for the year	12.07	(12.67)	(195.20)	(32.30)	(51.86)	(37.72)
Other comprehensive income (loss) for the year	0.45	1.09	(58.60)	0.51	2.24	(77.41)
Total Other comprehensive income (loss) for the year	12.52	(11.58)	(208.01)	(31.79)	(49.62)	(35.92)
Basic earnings (loss) per share (Baht)	0.57	(0.59)	(196.61)	(1.51)	(2.43)	(37.86)

1. Revenues

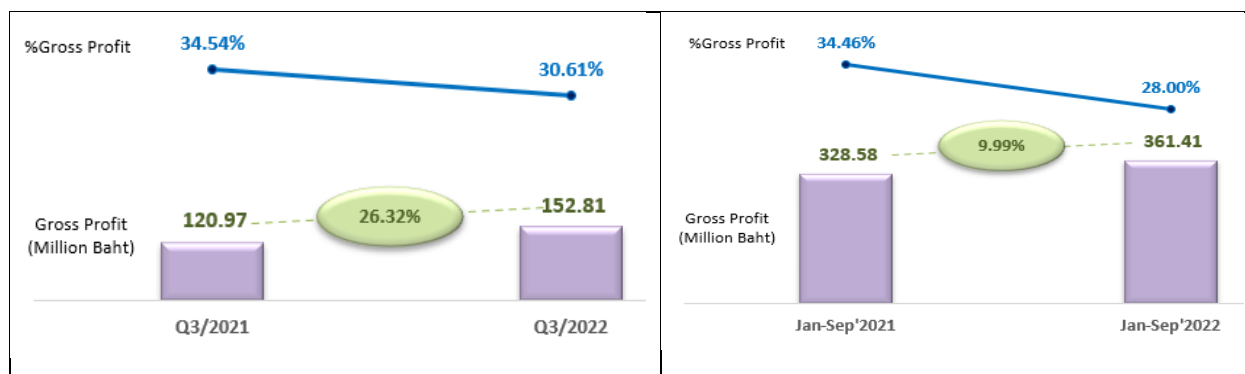
- In Q3/2022, Ocean Glass Public Company Limited and its subsidiaries (“the Company”) reported consolidated revenues of Baht 503.74 million, increased by 38.72%. Sales revenues reported at Baht 499.15 million, increased by 42.50% compared to the same quarter last year. Domestic sales increased by 152.33% capturing on increased demand in HoReCa business led by the opening of several new projects and reopening of the HoReCa business. Export sales increased by 26.86% compared to the same quarter last year, mainly from export to ASEAN, South Asia, Europe, and America. Domestic and export sales proportion reported at 22:78, while Q3/2021 reported at 12:88.
- For nine-month period, the Company reported consolidated revenues of Baht 1,310.72 million, increased by 35.30%. Sales revenues reported at Baht 1,290.85 million, increased by 35.39% compared to the same period last year.



- Other income in Q3/2022 presented at Baht 4.59 million, while nine-month period reported other income at Baht 19.87 million, mainly from transportation charges and sales of obsolete machine and scraps.

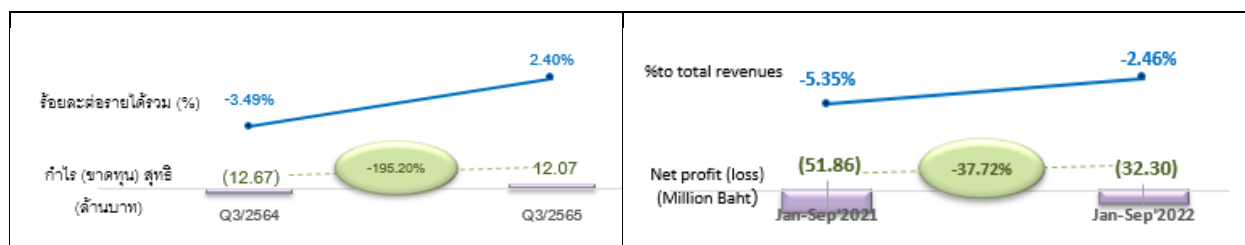
2. Gross Profit and Gross Profit Margin

- In Q3/2022, the Company's gross profit was Baht 152.81 million increased by 26.32% compared to same quarter last year, while gross profit margins decreased from 34.54% to 30.61% due to the increasing of energy and raw material prices. However, the Company adjusted the selling price to reduce the impact of the increased cost since Q3/2022 onwards.
- For nine-month period, gross profit was Baht 361.41 million increased by 9.99% compared to same period last year, while gross profit margins decreased from 34.46% to 28.00%.



3. Net Profit (Loss) and Net Profit Margin (Loss)

In Q3/2022, the Company reported net profit of Baht 12.07 million or net profit margin reached 2.40% of total revenues, comparing with Q3/2021, the Company reported net loss of Baht 12.67 million or net loss margin at 3.49%. While, the Company has net loss of Baht 32.30 million for the nine-month period.



4. Cost of goods sold

Total cost of goods sold in Q3/2022 presented at Baht 346.34 million, increased by 51.04% compared to the same quarter last year; while nine-month period reported cost of goods sold at Baht 929.44 increased by 48.74 along with the increased of sales, energy and raw material prices.

5. Temporary Shutdown Expenses

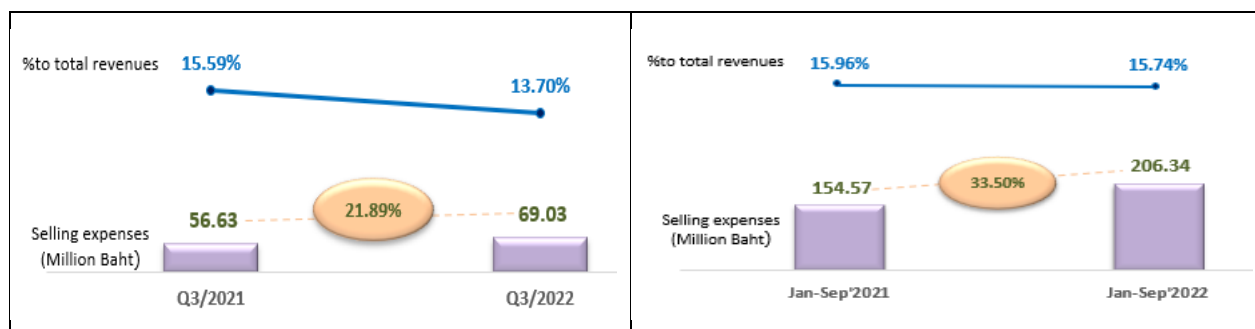
In Q3/2022, temporary shutdown for maintenance and inventory management causing expenses of Baht 26.69 million, decreased by 30.05% compared to same quarter last year; while nine-month period decreased by 26.32% compared to same period last year to the increased of sales volume.

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

In Q3/2022, loss on the decline in value of inventory presented at Baht 4.97 million.; while nine-month period presented at Baht 13.66 million, primarily due to provision of obsolete for long-aged finished products and raw materials.

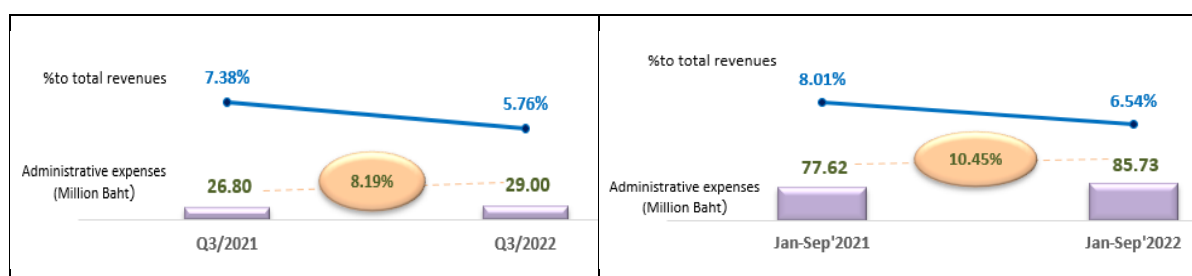
7. Selling Expenses

In Q3/2022, selling expenses presented at Baht 69.03 million, increased by 21.89%; while nine-month period presented at Baht 206.34 increased by 33.50% due to the increment of transportation costs, traveling expenses, online advertising, and promotion expenses to support sales in domestically and internationally.



8. Administrative Expenses

Administrative expenses reported Baht 29.00 million, increased by 8.19% 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 nine-month period, administrative expenses reported at Baht 85.73 million, increased by 10.45% compared to the same period last year.



9. Foreign exchange loss

In Q3/2022, the Company presented foreign exchange loss at Baht 6.99 million, decreased by 67.34%; while nine-month period reported at Baht 4.10 million, decreased by 88.25% mainly from forward contract hedging.

10. Finance Costs

In Q3/2022, finance costs presented at Baht 5.81 million, increased by 6.26%; while nine-month period reported at Baht 17.01 million, increased by 3.55% due to the increment of interest rate and more financing to support business operations.

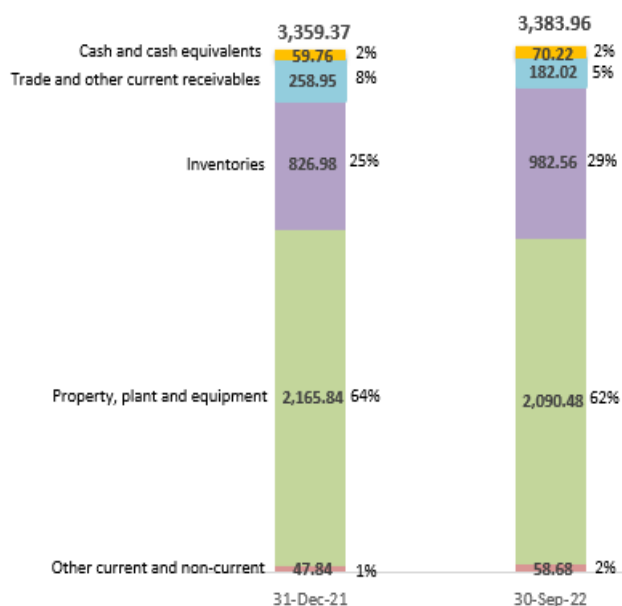
Statements of Financial Position as at September 30, 2022

(Million Baht)

	September 30, 2022	December 31, 2021	Change (%)
Current Assets	1,249.90	1,162.56	7.51
Non-Current Assets	2,134.06	2,196.81	(2.86)
Total Assets	3,383.96	3,359.37	0.73
Current Liabilities	1,086.25	993.66	9.32
Non-Current Liabilities	490.56	526.77	(6.88)
Total Liabilities	1,576.81	1,520.43	3.71
Total Shareholders' Equity	1,807.15	1,838.94	(1.73)
Total Liabilities and Shareholders' Equity	3,383.96	3,359.37	0.73
Current Ratio (times)	1.15	1.17	
Debt to Equity Ratio (times)	0.87	0.83	

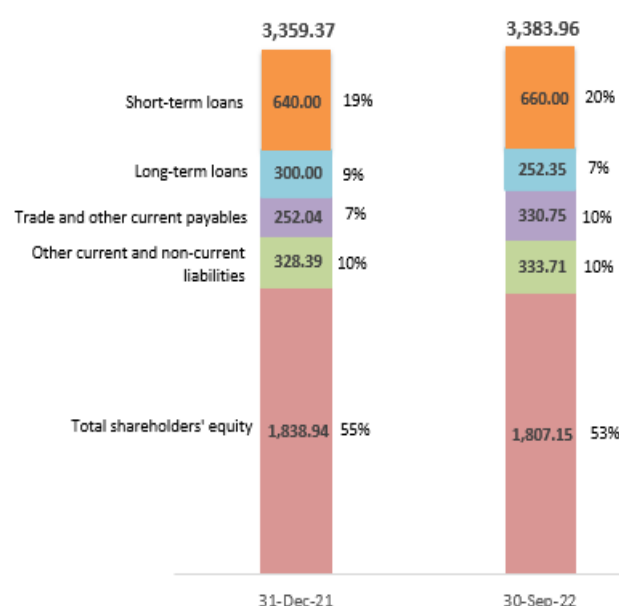
Total Assets

(Unit: Million Baht)



Total Liabilities and Shareholders' Equity

(Unit: Million Baht)



Total Assets

As of September 30, 2022, total assets presented at Baht 3,383.96 million, increased by 0.73%. Current assets were Baht 1,249.90 million, increased by 7.51% from inventories. Non-current assets presented at Baht 2,134.06 million, decrease by 2.86% from the depreciation net with investment in machine and equipment during the period.

Total Liabilities

Total liabilities presented at Baht 1,576.81 million, increased by 3.71% mainly from trade accounts payable from purchasing of goods and main raw materials and the increment of short-term loans for operations.

Total Shareholders' Equity

Total shareholders' equity presented at Baht 1,807.15 million, decreased by 1.73% from the recognition of operating loss during the period.