

Ref: THIP-SET/005/2025

February 13, 2025

Subject : Filing of Financial Statements for the years ended December 31, 2024 and 2023 and Management Discussion and Analysis Discussion and Analysis

Attention : The President
The Stock Exchange of Thailand

Enclosures : 1. Financial Statements and the Auditor's Report for the years ended December 31, 2024 and 2023
2. Management Discussion and Analysis

The Board of Directors Meeting No. 1/2025 of Thantawan Industry Public Company Limited which was held on February 13, 2025 had approved the Financial Statements for the years ended December 31, 2024 and 2023. The Management Discussion and Analysis for the years ended December 31, 2024 can be clarified as attached

Please be informed accordingly.

Very truly yours,



(Mrs. Pojanard Prinyapatpakorn)
Acting Chief Executive Officer
Authorized Persons to Disclose Information

OFFICE

32nd Fl., Sun Towers Bldg.A, 123 Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok 10900 Thailand.
Tel. + 66 2273 8333 Fax. + 66 2273 8282 , 273 8484 Website : www.thantawan.com

FACTORY

143-144 Moo 8, Soi Kangval 2, Phetkasem Rd., Omyai, Sampran, Nakornpathom 73160 Thailand.
Tel. + 66 2431 3051 , 811 4700 Fax. + 66 2420 3180 Website : www.thantawan.com



Management Discussion and Analysis for the year ended 31 December 2024 of Thantawan Industry Public Company Limited (“the Company”) and its subsidiary (collectively referred to as “the Group”).

Establishment of a subsidiary

On 6 March 2024, the Company’s Board of Directors passed a resolution to approve the establishment of a subsidiary in Vietnam for the purpose of manufacturing and distributing plastic packaging. The registered capital of the subsidiary is VND 100,000 million, or equivalent to Baht 134 million. The Company holds 100% of the total issued shares of the subsidiary. The registration process for the subsidiary was completed on 18 September 2024. The subsidiary is currently in the process of factory improvement and installing machinery for production, with plans to commence the operations by 2025.

A) Operating results

Unit : million baht

Profit or loss	Consolidated financial statements			
	2024	2023	Increase (Decrease)	%
Revenues				
Revenue from contracts with customers	4,275.8	3,410.9	864.9	25.4%
Cost of sales	3,412.8	2,728.0	684.8	25.1%
Gross profit	863.0	682.9	180.1	26.4%
Other income	39.5	70.5	(31.0)	-44.0%
Gain on exchange rate	27.1	-	27.1	100.0%
Expenses				
Selling and distribution expenses	148.7	128.4	20.3	15.8%
Administrative expenses	361.6	275.8	85.8	31.1%
Loss on exchange rate	-	9.7	(9.7)	-100.0%
Profit from operating activities	419.3	339.5	79.8	23.5%
Finance cost	(5.2)	(2.8)	2.4	85.7%
Profit before income tax expenses	414.1	336.7	77.4	23.0%
Income tax expenses	(85.1)	(48.2)	36.9	76.6%
Profit for the period	329.0	288.5	40.5	14.0%
Basic earnings per share (baht)	3.70	3.20	0.50	
Gross Profit Margin	20.2%	20.0%	0.2%	

(1) The company commenced the preparation of consolidated financial statements in 2024.

Therefore, the data for 2023 is from the separate financial statements for comparison purposes.



(Mrs. Pojanard Prinyapatpakorn)

Acting Chief Executive Officer

Authorized Persons to Disclose Information

The Group's net profit for the year ended 31 December 2024 was THB 329.0 million increased by THB 40.5 million (14.0%) compared to the prior year. Such increase resulted mainly from the increase in export sales. This growth comes from both higher sales to existing customers and the addition of new customers.

The group continues to focus on expanding the customer base in both international and domestic markets, alongside efforts to adapt with a commitment to sustainable development.

● **Revenue from sales**

Unit : million baht

Consolidated financial statements	Bags		Straw		Others		Total	
	2024	2023 ⁽¹⁾	2024	2023 ⁽¹⁾	2024	2023 ⁽¹⁾	2024	2023 ⁽¹⁾
Revenue from sales								
Export sales	3,503.1	2,637.6	50.1	71.1	95.7	124.9	3,648.9	2,833.6
Domestic sales	361.7	365.5	185.3	156.4	80.0	55.5	627.0	577.4
Total sales	3,864.8	3,003.1	235.4	227.5	175.7	180.4	4,275.9	3,411.0
Changes and %changes								
Export sales	865.5	32.8%	(21.0)	-29.5%	(29.2)	-23.4%	815.3	28.8%
Domestic sales	(3.8)	-1.0%	28.9	18.5%	24.5	44.1%	49.6	8.6%
Total Increase(Decrease)	861.7	28.7%	7.9	3.5%	(4.7)	-2.6%	864.9	25.4%

(1) The company commenced the preparation of consolidated financial statements in 2024.

Therefore, the data for 2023 is from the separate financial statements for comparison purposes.

The above table represents the breakdown of sales by products and by domestic sales and export sales. For the year ended 31 December 2024, revenue from sales increased by THB 864.9 million (25.4%) compared to the prior year.

Higher export sales were primarily driven by increased sales in the Americas. This growth was due to the return of regular orders from a major customer who had previously delayed orders in 2023, as well as new customers placing orders this year, largely for products in the bags category.

For the growth of domestic sales, the increase in sales was primarily driven by the straw category. In addition, sales of owned branded products also increased. This growth is attributed to the Group's efforts to promote and raise awareness of owned branded, aiming to make the brand more recognizable in the market.



(Mrs. Pojanard Prinyapatpakorn)

Acting Chief Executive Officer

Authorized Persons to Disclose Information

- **Other income**

For the year ended 31 December 2024, other income decreased by THB 31.0 million (44.0%) compared to the prior year. The primary reason for the decrease in other income was mainly due to the one-time compensation income of THB 31.7 million from a customer recorded in the previous year.

- **Gross profit margin**

For the year ended 31 December 2024, gross profit margins were 20.2% which slightly increased by 0.2% compared to the prior year. This improvement was mainly due to a reduction in fixed cost per unit, resulting from higher production volumes in 2024 driven by increased sales.

- **Selling and distribution expenses**

Selling and distribution expenses for the year ended 31 December 2024 increased by THB 20.3 million (15.8%) compared to the prior year. Such increase resulted primarily from the export-related expenses and delivery expenses which increased in line with sales. Additionally, there were increased expenses associated with new customers and new products, such as product testing expenses.

- **Administrative expenses**

The major administrative expenses are employee expenses, depreciation expenses and utilities expenses. Administrative expenses for year ended 31 December 2024 increased by THB 85.8 million (31.1%) compared to the prior year. Such increase was mainly due to employee expenses and the expenses related to the business expansion e.g. consultant fee which are non-recurring items. In addition, there was an increase in expenses related to future development of the Group, such as research and development expenses. In addition, the Group recognized expenses for the subsidiary in Vietnam during the fourth quarter of 2024, most of which were related to employee expenses and depreciation of right-of-use assets (right-of-use assets originated from the long-term lease agreements for land and buildings in Vietnam).



(Mrs. Pojanard Prinyapatpakorn)

Acting Chief Executive Officer

Authorized Persons to Disclose Information

- **Gain (loss) on exchange rate**

For the year ended 31 December 2024, the Group recorded a foreign exchange gain of THB 27.1 million, compared to a foreign exchange loss of THB 9.7 million in the previous year. The foreign exchange gain during 2024 was largely due to realized gains from the conversion of foreign currencies back into Thai Baht during the year.

B) Financial position

Unit : million baht

Statement of financial position	Consolidated financial statements					
	31 December 2024	%	31 December 2023 ⁽¹⁾	%	Increase (Decrease)	% Increase (Decrease)
Current assets	2,498.5	66.4%	2,200.6	69.5%	297.9	13.5%
Non-current assets	1,266.3	33.6%	965.1	30.5%	301.2	31.2%
Total assets	3,764.8	100.0%	3,165.7	100.0%	599.1	18.9%
Current liabilities	682.6	18.1%	451.8	14.3%	230.8	51.1%
Non-current liabilities	316.7	8.4%	70.6	2.2%	246.1	348.6%
Total liabilities	999.3	26.5%	522.4	16.5%	476.9	91.3%
Shareholders' equity	2,765.5	73.5%	2,643.3	83.5%	122.2	4.6%
Total liabilities and shareholders' equity	3,764.8	100.0%	3,165.7	100.0%	599.1	18.9%

(1) The company commenced the preparation of consolidated financial statements in 2024.

Therefore, the data for 2023 is from the separate financial statements for comparison purposes.

Assets

As of 31 December 2024, the Group's total assets amounted to THB 3,764.8 million, increasing by THB 599.1 million or 18.9% from 31 December 2023. The significant changes in assets were listed below.

1. Trade and other receivables increased by THB 374.9 million or 88.3%. The main reason for this increase was trade receivables, which grew by THB 351.8 million, aligning with the increase in revenue from sales.
2. Inventories increased by THB 318.8 million or 59.8%. The main reason for this increase was the higher volume of raw materials and finished goods, which aligned with the growth in sales and was intended to support the higher customer orders.
3. Cash and cash equivalents decreased by THB 315.0 million or 32.6%. The primary reasons for this decrease were the higher working capital requirements, driven by increased sales and the payment of dividends amounting to THB 207.0 million during the year.

(Mrs. Pojanard Prinyapatpakorn)

Acting Chief Executive Officer

Authorized Persons to Disclose Information

4. Right-of-use assets increased by THB 244.7 million or 569.5%. The main item was the lease agreement for land and buildings of the subsidiary in Vietnam.

Liabilities and shareholders' equity

As of 31 December 2024, the Group's total liabilities amounted to THB 999.3 million, increased by THB 476.9 million or 91.3% from 31 December 2023. Major increase was from the lease agreements for land and buildings of the subsidiary in Vietnam. Trade and other payables also increased by THB 173.0 million due to the higher purchase volume of raw material to support the growth in sales. Additionally, accrued expenses was increased by 24.6 million baht, driven by higher selling and distribution expense and administrative expenses.

Shareholders' equity as of 31 December 2024 amounted to THB 2,765.5 million, increasing by THB 122.2 million or 4.6% from 31 December 2023. Such increase was from the total comprehensive income for the period after deducting dividend payment.

C) Key Financial Ratios

Description	Unit	Consolidated financial statements	
		2024	2023
Gross profit margin	%	20.2%	20.0%
Net profit margin	%	7.7%	8.5%
Return on shareholders' equity	%	12.2%	11.2%
Return on total assets	%	9.5%	9.3%
Liquidity ratio	Times	3.7	4.9
Cash cycle	Days	83	80
Debt to Equity ratio	Times	0.4	0.2
Book value per share	THB/share	30.7	29.4
Basic earnings per share	THB/share	3.7	3.2

(1) The company commenced the preparation of consolidated financial statements in 2024.

Therefore, the data for 2023 is from the separate financial statements for comparison purposes.



(Mrs. Pojanard Prinyapatpakorn)

Acting Chief Executive Officer

Authorized Persons to Disclose Information