

Ref. SFP 167 / 2020

24 November, 2020

To : President of The Stock Exchange of Thailand

Subject : Management Discussion and Analysis for the Statement of Financial Position and Income Statements for the year ended September 30,2020.

Attachment : The Statement of Financial Position and Income Statements for the year ended September 30,2020 and Independent Auditor's Report.

Business Overview

The consolidated Income Statements for the year ended September 30, 2020, the company earned the total income of Baht 2,082 million, net loss from the operation in amount of Baht 314.05 million. Upon combination with the profit share from the associated company in amount of Baht 67.48 million, the company earned the net loss of total Baht 246.57 million, while in the same period ended September 30, 2019, the company earned the total income of Baht 1,972.01 million, net loss from the operation in amount of Baht 537.07 million, upon combination with the profit share from the associated company in amount of Baht 70.01 million, the company earned the net loss of total Baht 467.06 million, change in net loss decreasing by Baht 220.49 million or 47.21%.

Analysis of Income Statements for the year ended September 30, 2020 (The audited Consolidated Financial Statements)

1) Revenue from sale amount of Baht 1,941.19 million, an increased by Baht 23.38 million or 1.22%. Because the selling price has increased.

The ratio of cost of goods sold and sales for the year 2020 was 113% while the same period of the previous year equal to 116%. Because:

1.1) Fruit cost was higher than while in the same period 72% which effected from the dry weather, while the selling price gradually increases in accordance with the raw material prices.

1.2) Due to a shortage of fresh pineapple fruit, production volume decreased by 37%, this resulted in a higher cost per unit.

2) The company had a gain on changes in fair value of biological assets of Baht 106.44 million in the year 2020 which effected from the company has adopted TAS 41: Agriculture start from 1 January 2016 because fruit cost from farmers as at September 30, 2020, has increased which was higher than our plantation cost. While the same period of the previous year the company had a loss on changes in the fair value of biological assets of Baht 14.92 million.

3) Idle capacity cost of the company increased by Baht 43.54 million, it had fresh pineapple to produce decreasing compared with the same period of the previous year due to the drought in Thailand.

4) The company had profit on the exchange rate of Baht 8.45 million in the year 2020 while the same period of the previous year had profit on exchange rate Baht 1.34 million.

5) The company had tax income amount of Baht 50.56 million, while the same period of the previous year had tax expense Baht 34.34 million.

6) About the operation result of the associated company; Eastern Seaboard Industrial (Rayong) Co., Ltd. Therefore, the company recognized profit sharing according to the equity method in Statement of Income of the company in amount of Baht 67.48 million, decreasing from the previous year Baht 2.53 million or 3.61%.

As at 30 September 2020, the consolidated statement of financial position had a Debt to Equity Ratio at 0.22, an increased from 0.16 at the ended September 30, 2019, the main point was short-term loans from financial institutions and the associated company increasing.

Please be informed accordingly.

Yours Truly,

(Ms. Pornpun Premratanachai)

Company Secretary