



บริษัท ไทยซูการ์ เทอร์มินัล จำกัด (มหาชน)

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED

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(Translation)

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Subject: Management Discussion and Analysis for the year ended December 31, 2020

To: The President
The Stock Exchange of Thailand

Thai Sugar Terminal Public Company Limited (the Company) would like to clarify overall operation for the year 2020 ended December 31, 2020 as follows:

| Unit: Thousand Baht | Consolidated financial statements | | Increase (Decrease) | |
|----------------------------------|-----------------------------------|-----------|---------------------|---------|
| | 2020 | 2019 | amount | % |
| Revenues from operation | | | | |
| Revenue from sales | 1,888,676 | 2,038,030 | (149,354) | (7.33) |
| Revenue from rental and services | 373,304 | 553,155 | (179,851) | (32.51) |
| Total revenues from operation | 2,261,980 | 2,591,185 | (329,205) | (12.70) |
| Cost from operation | | | | |
| Cost of sales | 1,590,655 | 1,766,447 | (175,792) | (9.95) |
| Cost of rental and services | 244,052 | 319,536 | (75,484) | (23.62) |
| Total cost from operation | 1,834,707 | 2,085,983 | (251,276) | (12.05) |
| Gross profit | 427,273 | 505,202 | (77,929) | (15.43) |
| Net profit (Loss) | 132,718 | 165,426 | (32,708) | (19.77) |
| Net profit (loss) Ratio (%) | 5.87 | 6.38 | | |

*Net profit (Loss) Ratio = Net Profit (Loss) for the Company/Total Overall Operation Income

Overall Operation for Consolidated financial statement

The Company and its subsidiaries had revenue from sales in 2020 amounting of 1,888.67 million baht, compared to the year 2019, a decrease of 149.35 million baht or decreased 7.33 percent. The main revenue change was from T S Oil Industry Company Limited (a subsidiary) palm oil sales decreased by 104.77 million baht. T S Flour Mill Public Company Limited (a subsidiary) had sales revenue decreased by Baht 11.68 million, and T S Transport and Logistics Company Limited (a subsidiary) had revenue from Sales fell by 30.94 million baht.



Revenue from rental and services in 2020 amounting of 373.30 million baht, compared with 2020 during the same period, decreased 179.85 million baht or 32.51 percent. The primary income that changes from the company revenue from loading and service fees decreased by 120.03 million baht. T S Warehouse Company Limited (a subsidiary) had a lower storage income of 87.44 million baht, and T S Transport and Logistics Company Limited continued a decrease in terminal revenue - net of 36.83 million baht and T S Oil Industry Company Limited (a subsidiary) increased revenues from palm oil production of 64.07 million baht.

Cost of sales in 2020 amounted to 1,590.65 million baht, compared with the year 2019, decreased 175.79 million baht or 9.95 percent, concerning lower sales revenue.

Cost of rental and services in 2020 amounted to 244.05 million baht, compared to the year 2019, a decrease of 75.48 million baht or 23.62 percent, related to the decline of service income.

In summary, operating results of the consolidated financial statements for the year 2020, the Company had a net profit of 132.72 million baht compared to 2019, in the same period, the Company had a net profit of 165.42 million baht, the Company had a net profit of 32.71 million baht or decreased 19.77 percent.

The key factors affecting earnings in 2020 are as follows:

1. The impact of natural drought has reduced the country's overall sugarcane production and the decrease in the amount of sugar produced, which is the main product that has come to serve the Company, whether it is income from providing storage services loading and unloading services for export. As a result, the Company has a decrease in the number of products entering the storage service compared with the year 2019, the amount of 590,418.75 metric tons or decreased 69.58 percent, and the number of exports decreased. Compared to the year 2019, amounting of 547,201.86 metric tons or down 65.66 percent.

2. Impact of the COVID-19 epidemic, therefore, affecting business operations, causing imports and exports to decrease. As a result, the use of container terminal services decreased as well.

However, the Company controls, manages, reduces costs, and creates maximum benefits to the Company. Including the Company tries to find more customers to use the service more.

On December 31, 2020, the Company has the total assets 4,697.05 million baht, total debts 971.49 million baht and total shareholders' equity 3,725.56 million baht. D/E Ratio = 0.26 and Interest-Bearing D/E Ratio of shareholders = 0.12



The impact of first-time adoption of new accounting standards

The Group has adopted TAS 32 Financial Instruments: Presentation, TFRS 7 Financial Instruments: Disclosure, TFRS 9 Financial Instruments and TFRS 16 Leases on the Group's financial statements and discloses the new accounting policies that have been applied from January 1, 2020, under the modified retrospective approach which the comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies are therefore recognized in the statement of financial position as at January 1, 2020.

However, the impact of the new accounting standards for the first time, as a result, the unappropriated retained earnings as of January 1, 2020, shown in the consolidated financial statements decreased by 0.047 million baht.

Please be informed accordingly.

Respectfully yours,

(Mr. Chanachai Chutimavoraphand)
Chief Executive Officer and President
Thai Sugar Terminal Public Company Limited

Company Secretary

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