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Subject: Management Discussion and Analysis of the 3rd quarter and 9-month period ended 30 September 2021

To President
The Stock Exchange of Thailand

East Coast Furnitech Public Company Limited (“the Company”) would like to report on Management Discussion and Analysis from the Consolidated Financial Statements of the 3rd quarter and 9-month period ended 30 September 2021. Since the Company has main revenue from furniture business, hence the information between the Consolidated Financial Statements and Separate Financial Statements does not differ materially.

The key information for the Consolidated Financial Statements is shown as the details below;

Operating Performance : Consolidated

1. Revenues

Unit: Million THB

Revenue Structure	Consolidated			
	Amount		Change	
	Q3.21	Q3.20	Amount	%
Revenue from sale – net	328.59	399.89	-71.30	-17.83%
Others income	10.16	4.70	5.46	116.17%
Profit (loss) from exchange rate	3.57	1.81	1.76	97.29%
Total Revenue	342.31	406.40	-64.09	-15.77%
Sharing of gain from investment value of the associates	9.33	11.55	-2.21	-19.17%

The revenue from sales of the Company and from its subsidiaries in Q3'21 recorded at THB 328.59 million decreasing by 17.83%YoY and total revenue amounted to THB 342.31 million decreasing by 15.77%YoY. The significant causes of the decreasing revenue resulted from:

- The factory or Head Office of the Company is located in the highest-strict area according to the measure of the Government to protect the spread of COVID-19 which caused people could not go out from their habitat in the specified hour at the night time or Curfew that

resulted in the Company had less time period for the production line and the time for product transportation.

- ❑ The Lockdown measure for Thailand from 20 July 2021 to October 2021 caused Hypermarket as the main customers of the Company not to be able to sell their products including the limited time of opening stores at that time, this made the amount of selling products of the Company did not meet the target.
- ❑ Some overseas customers have also met the measure to protect the spread of COVID-19 in their own countries, this caused the limited working time and the amount of selling products of the Company did not meet the target as well.
- ❑ The occurrence of workforce scarcity, because the factory is located in the highest-strict area under the measure of Government, had an impact on the production capacity. However, the current situation can operate the production line at full capacity as normal.

The sharing of gain from investment value of the associates has come from the realization of gain from investment in Green Earth Power (Thailand) Company Limited (GEP), that is the investor of solar power plant project with an installed capacity of 220 MW at Minbu District, Myanmar. ECF Power Company Limited (ECF-P) as the Company's subsidiary holds 20 percent of total shares of GEP. At present, the project has operated commercially for the 1st phase with an installed capacity of 50MW since 27 September 2019. The project has been currently commencing the 2nd phase and will accelerate the construction for the remaining phases until completed all 4 phases accordingly.

The Company realized the sharing of gain from investment value of the solar power plant project or Minbu power plant, Myanmar for Q3'21 at THB 9.33 million from THB 11.55 million of the same period last year.

Unit: Million THB

Revenue Structure	Consolidated			
	Amount		Change	
	9M.21	9M.20	Amount	%
Revenue from sale – net	1,118.69	972.04	146.65	15.09%
Others income	28.53	18.78	9.74	51.87%
Profit (loss) from exchange rate	8.99	3.26	5.72	175.44%
Total Revenue	1,156.20	994.08	162.12	16.31%
Profit from the sale of claims on accounts receivable and brand rights	-	18.80	-18.80	-100.00%
Sharing of gain from investment value of the associates	25.46	31.97	-6.52	-20.38%

For the 9-month period of 2021, the revenue from sales of the Company and the revenue from its subsidiaries in 9M'21 recorded at THB 1,118.69 million increasing by 15.09%YoY and total revenue amounted to THB 1,156.20 million increasing by 16.31%YoY, which was mainly attributable to the growth of export sales

and domestic sales at 13.05 percent and 19.02 percent respectively. Currently, the proportion of revenue from export sales and domestic sales accounted for 65 percent and 35 percent of total sales revenue, respectively. Export sales grew significantly from the U.S. customers and Indian customers at the rate of 106.93 percent and 30.36 percent respectively.

For other incomes during the 9-month period of 2021, the company had other incomes that amounted to THB 28.53 million, increasing by 51.87%YoY. The main reason came from the management of production scraps and supplies from the previous period together with the increase of sales of scraps and supplies has been in line with the increase of the volume of furniture production of the Company.

Moreover, during the past 9 months from the depreciation of Thai baht together with the company has the main income from exporting products to abroad, this resulted in an increase in foreign exchange gains with a value of THB 8.99 million, significantly increased when compared to the same period last year.

The sharing of gain from investment value of the associates for the 9M'21 amounted decreasingly to THB 25.46 million from THB 31.97 million of the same period last year, which was mainly attributable from GEP has recorded increasingly the expenses of the initial public offering preparation and the expenses in studying other alternatives of sources of the fund since May 2020.

2. Cost of goods sold and expenses: Consolidated

Unit: Million THB

Cost and Expenses Structure	Consolidated					
	Amount		Change		Compare total income	
	Q3.21	Q3.20	Amount	%	Q3.21	Q3.20
Cost of goods sold	260.86	312.29	-51.43	-16.47%	76.20%	76.84%
Cost of sales	19.22	16.29	2.93	17.97%	5.61%	4.01%
Administrative expenses	30.10	33.54	-3.43	-10.23%	8.79%	8.25%
Financial cost	33.35	36.91	-3.56	-9.65%	9.74%	9.08%
Corporate income tax	-	2.33	-2.33	N.A.	0.00%	0.57%
Total cost and expenses	343.53	401.36	-57.83	-14.41%	100.36%	98.76%

Remark: Total income as above mentioned is not included Sharing of gain from investment value of the associates.

For Q3'21, the proportion of the cost of goods sold to total revenue slightly increased when comparing from 78 percent of the last year to be 79.39 percent. However, that proportion decreased from the 2nd quarter which was 81 percent, this pointed out the situation of cost of raw materials such as particleboard and MDF is getting better.

Moreover, the proportion of the cost of sales and administrative expenses to total revenue increased from fixed cost while there was the revenue decreased.

The financial cost of Q3'21 amounted to THB 33.35 million which decreased slightly from the same period last year that was THB 36.91 million.

Unit: Million THB

Cost and Expenses Structure	Consolidated					
	Amount		Change		Compare total income	
	9M.21	9M.20	Amount	%	9M.21	9M.20
Cost of goods sold	889.17	748.67	140.50	18.77%	76.90%	75.31%
Cost of sales	47.82	46.05	1.77	3.84%	4.14%	4.63%
Administrative expenses	97.89	100.39	-2.50	-2.49%	8.47%	10.10%
Other expenses	-	18.13	-18.13	-100.00%	0.00%	1.82%
Financial cost	100.06	98.86	1.20	1.22%	8.65%	9.94%
Corporate income tax	-	6.80	-6.80	-100.00%	0.00%	0.68%
Total cost and expenses	1,134.94	1,018.90	116.04	11.39%	98.16%	102.50%

For the 9-month period of 2021, the proportion of the cost of goods sold to total revenue was 79.48 percent which increased from the last year 77.02 percent, resulting from the increase of the raw material cost and the higher labor cost from overtime under the COVID-19 pandemic in the factory area. However, the situation of raw material price has been getting better which can perceive from the cost of goods sold of the 3rd quarter decreased from the 2nd quarter.

The cost of sales and administrative expenses to total revenue has been decreasing continuously when compared to the same period last year. This resulted from the strict control policy of expenses of the Company.

The financial cost of the 9M'21 amounted to THB 100.06 million increasing slightly from the same period last year which was THB 98.86 million.

3. Profit for the period

Unit: Million THB

Profit Information	Consolidated			
	Amount		Change	
	Q3.21	Q3.20	Amount	%
Gross Profit	67.73	87.60	-19.87	-22.68%
Profit (Owners of the parent)	5.45	21.91	-16.45	-75.11%
Profit for the period	5.87	21.47	-15.60	-72.67%
Total Comprehensive Income for the Period	30.97	24.51	6.46	26.36%
Profit ratio for the period to total revenue (%)	1.71%	5.28%		
Profit ratio for the period (Owners of the parent) to total revenue (%)	1.59%	5.39%		
Total comprehensive income ratio for the period to total revenue (%)	9.05%	6.03%		
Total comprehensive income ratio for the period (Owners of the parent) to total revenue (%)	8.93%	6.14%		

For Q3'21, the Company recorded the Profit (Owners of the parent) at THB 5.45 million decreasing from THB 21.91 million when compared to the same period last year. This resulted from the decrease of revenue from sales of the 3rd quarter.

Unit: Million THB

Profit Information	Consolidated			
	Amount		Change	
	9M.21	9M.20	Amount	%
Gross Profit	229.51	223.37	6.15	2.75%
Profit (Owners of the parent)	35.54	37.20	-1.66	-4.46%
Profit for the period	35.56	28.36	7.21	25.42%
Total Comprehensive Income for the Period	85.59	31.29	54.30	173.56%
Profit ratio for the period to total revenue (%)	3.08%	2.85%		
Profit ratio for the period (Owners of the parent) to total revenue (%)	3.07%	3.74%		
Total comprehensive income ratio for the period to total revenue (%)	7.40%	3.15%		
Total comprehensive income ratio for the period (Owners of the parent) to total revenue (%)	7.40%	4.04%		

For the 9-month period of 2021, the Company recorded the Profit (Owners of the parent) at THB 35.54 million decreasing by 4.46%YoY from the same period last year which was THB 37.20 million. In addition, the percentage of Profit ratio for the period (Owners of the parent) to total revenue was 3.07 percent from 3.74 percent at the same period last year.

The Company could generate cash flow from operation in the 9-month period of 2021, which amounted to THB 48.67 million from 119.98 million of the same period last year. This resulted from the increase of accounts receivable, the payment of accounts payable, and accrued payment, and other current liabilities. For the 9-month period of 2021, the Collection Period was 88.04 days increasing from 83.59 days the same period last year.

Financial Position: Consolidated Financial Statements

1. Total Assets

Statement of Financial Position	as of 30/9/2021		as of 31/12/2020		Increased / (Decreased)	
	MB	%	MB	%	MB	%
Current Assets	1,980.07	54.46%	2,035.77	57.43%	-55.70	-2.74%
Non-Current Assets	1,655.83	45.54%	1,508.96	42.57%	146.88	9.73%
Total Assets	3,635.91	100.00%	3,544.72	100.00%	91.18	2.57%

As of 30 September 2021, the Company's total assets were THB 3,635.91 million, increasing by THB 69.50 million from as of 31 December 2020, In part of assets, the Company had cash and cash equivalent decreased from the increase of accounts receivable under the COVID-19 pandemic, the payment of accounts payable, and the accrued expenses, and other current liabilities whereas the amount of inventory did not increase significantly and the increase of investment value of the associates. These resulted in the overall assets increasing 2.57 percent from as of 31 December 2020.

2. Total Liabilities and Shareholder's Equity

Statement of Financial Position	as of 30/9/2021		as of 31/12/2020		Increased / (Decreased)	
	MB	%	MB	%	MB	%
Current Liabilities	1,901.03	52.28%	1,673.05	47.20%	227.97	13.63%
Non-Current Liabilities	417.89	11.49%	631.89	17.83%	-214.00	-33.87%
Total Liabilities	2,318.92	63.78%	2,304.94	65.02%	13.97	0.61%
Shareholder's Equities	1,316.99	36.22%	1,239.78	34.98%	77.21	6.23%
Total Liabilities and Shareholder's Equities	3,635.91	100.00%	3,544.72	100.00%	91.18	2.57%

As of 30 September 2021, the Company's total liabilities were THB 2,318.92 million which did not change significantly when compared to as of 31 December 2020 at the amount of THB 2,304.94 million.

Shareholder's equities as of 30 September 2021 were THB 1,316.99 million increasing slightly from as of 31 December 2020, which was mainly caused by the increase of profit from the operation.

Kindly be informed accordingly,

Yours sincerely,

East Coast Furnitech Public Company Limited

-Signature-

(Arak Suksawad)

Managing Director