

Subject: Management Discussion and Analysis for Financial Performance for the Quarter Ending on September 30, 2023

Dear: Managing Director
The Stock Exchange of Thailand

Asia Metal Public Company Limited ("the Company") would like to provide an explanation of its financial performance for the third quarter ending on September 30, 2023, with the following details:

Statement of Comprehensive Income

For the period ended 30 September

Revenue

Revenue from sale of goods and rendering of services
Net foreign exchange Gain
Other income

Total income

Expenses

Costs of sales of goods and rendering of services
Distribution costs
Administrative expenses
Net foreign exchange loss

Total expenses

Profit(Loss) from operating activities

Finance costs
Share of profit of associate
accounted for using equity method

Profit(Loss) before income tax expense

Income tax expense

Profit(Loss) for the period

	Year 2023	Year 2022	Change	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Revenue				
Revenue from sale of goods and rendering of services	2,012,342	1,187,327	825,015	69.5%
Net foreign exchange Gain	22,530	-	22,530	
Other income	24,391	15,723	8,668	55.1%
Total income	2,059,263	1,203,050	856,213	71.2%
Expenses				
Costs of sales of goods and rendering of services	1,892,401	1,217,031	675,370	55.5%
Distribution costs	29,403	16,891	12,512	74.1%
Administrative expenses	25,011	90,418	(65,407)	-72.3%
Net foreign exchange loss	-	30,685	(30,685)	
Total expenses	1,946,815	1,355,025	591,790	43.7%
Profit(Loss) from operating activities	112,448	(151,975)	264,423	174.0%
Finance costs	15,285	4,451	10,834	243.4%
Share of profit of associate accounted for using equity method	(4,282)	(14,600)	10,318	70.7%
Profit(Loss) before income tax expense	92,881	(171,026)	263,907	154.3%
Income tax expense	14,081	8,285	5,796	-70.0%
Profit(Loss) for the period	78,800	(179,311)	258,111	143.9%

Revenue:

Total revenue, including income from sales and services, and other income, increased by THB 856.2 million, or 71.2%, totaling THB 2,059.3 million (Q3/2022: THB 1,203.1 million). This increase is attributed to various efficiency improvements in management, such as production processes, inventory management, sales and marketing, and the ongoing decrease in the impact of the COVID-19 virus, which has continued to wane since the beginning of 2023.

Costs and Expenses:

The costs and expenses related to sales and operations increased by THB 591.8 million, or 43.7%, totaling THB 1,946.8 million (Q3/2022: THB 1,355.0 million). The breakdown is as follows:

- **Cost of goods sold and service** provision increased by THB 675.4 million, or 55.5%, reaching THB 1,892.4 million (Q3/2022: THB 1,217.0 million). This increase is due to the variation in revenue from the sale of goods and the setting of reserves for the adjustment of the remaining inventory values, which decreased by THB 37.37 million due to the trend of increasing prices after the end of the period.
- **Distribution and administrative expenses** decreased by THB 83.6 million, or 60.6%, to THB 54.4 million (Q3 2022: THB 138.0 million) In Q3/2022, The Company prepaid in deposit prepayment in raw material in THB 63.53 million.

Net Profit:

The Company achieved a net profit of THB 78.8 million after tax (Q3/2022: -THB 179.3 million), showing an increase of THB 258.1 million or 143.9%, resulting in a net profit of 3.8% (Q3/2022: -14.9%).

Statement of financial position

	30-Sep-23	31-Dec-22	Change	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Current assets	2,555,125	2,343,538	211,587	9.0%
Non-current liabilities	2,269,408	2,033,464	235,944	11.6%
Total Assets	4,824,533	4,377,002	447,531	10.2%
Current liabilities	1,586,032	1,434,657	151,375	10.6%
Non-current liabilities	76,726	93,748	(17,022)	-18.2%
Total Liabilities	1,662,758	1,528,405	134,353	8.8%
Total Equity	3,161,775	2,848,597	313,178	11.0%
Total Liabilities and Equity	4,824,533	4,377,002	447,531	10.2%

Financial Status:

As of September 30, 2023, the financial position changed compared to December 31, 2022, as follows:

- **Total assets** amounted to THB 4,824.5 million, an increase of THB 447.5 million or 10.2%.
- **Total liabilities** amounted to THB 1,662.8 million, an increase of THB 134.4 million or 8.8%.
- **Total Equity** amounted to THB 3,161.8 million, an increase of THB 313.12 million or 11.0%, mainly due to the net profit and the accumulation of retained earnings of THB 2,057.2 million.

Environmental, Social, and Governance (ESG) Initiatives:

Asia Metal Public Company Limited ("the Company") has The ESG policy to create long-term value and positive impacts on society and the environment.

Environmental:

In Q3/2023, the Company undertook various initiatives, included the Initiate the Solar Rooftop Project (Phase 2) to generate electricity for the Samut Prakan plant as of 12 July 2023.

The company has designed the water management system in the GI factory, which is an important project. The company intends to develop it into a prototype factory that can coexist sustainably with the community. It is expected to begin commercial operation in 2024.

The company has received Green Industry Standard Certificate (Level 2) from the Ministry of Industry (Thailand)



Picture 1: Solar Rooftop Project, Phase 2, Samut Prakan Factory.

Social: Engaged in community development activities such as building pavilions for local temple and donating to schools in the area.



Picture 2: Donation Pavilion to Wat Ban Nai Bon in Chonburi Province in July 2023.



Picture 3: Company gave the swings to the Sraseliam School in Chonburi Province as of October 2023.



Picture 4: Kathin Ceremony in Ban Nai Bon Temple.

Corporate Governance: Embracing digital transformation through the use of advanced technology, such as the SAP ERP system, and developing the Asia Metal New Highway Digital system to enhance customer access to products and services. The Company is committed to anti-corruption practices and is a member of the CAC Anti-Corruption Certified program since August 2023.

Please be informed accordingly

Your Sincerely,

Mr. Chusak Yongwongpaiboon

Managing Director

Asia Metal Public Company Limited