

Topic: Clarification on company's performance for the year ended on 31st December 2021

To: Director and Managing Director of Stock Exchange of Thailand

Cc: Corporate Finance Department

The Office of the Securities and Exchange Commission

Asia Metal Public Company Limited would like to clarify the company's operating performance for the year ended on 31st December 2021.

Operating Performance Result

Unit: Million Baht

For the year ended 31 st December 2021		
	2021	% Change Y-o-Y
Total revenue	7,802	57
Total expense	(6,896)	46
Share of profit from investments in associates	239	477
Income tax expense	(193)	282
Net Profit	952	601

For the year ended 31st December 2021, the company has total revenue from sales and services equal to 7,802 million baht. This number increased by 57 percent YoY, where most of the sales revenue came from increased sales of steel slab and bloom by 1,687 million baht and sales of steel tubes by 1,041 million baht. The reasons for the significant change in sale revenue were from company's more proactive marketing strategy towards the Modern Trade market together with the continuous growth in world's steel price during the previous year.

The company has total expenses of 6,896 million baht, an increase of 46 percent YoY, in relation to the; 1) increase of 2,084 million baht in cost of goods sold from higher raw material costs compared to the previous year, and 2) increase of 76 million baht in selling and administrative expenses from asset write-off and giving additional bonuses.

The company's share of profit from investments in associated companies increased by 302 million baht or 477% YoY, which has a share of loss from investments in an associated companies of 63 million baht.

The company has income tax expenses of 193 million baht, an increase of 142 million baht YoY.

Consolidated statement

Unit: Million Baht

Asset	31 st December 2021	31 st December 2020	Gain (Loss)	%
Cash and cash equivalents	159	192	(33)	(17)
Accounts receivable and other receivables	1,066	924	142	15
Inventories	1,194	987	206	21

Cash and cash equivalents decreased by 33 million baht. Cash from Operating Activities accounted for 736 million baht in 2021.

In terms of Investing Activities, 157 million baht were spent on purchasing of new machines and investments in the company's associates. For the Financing Activities, dividends and long term loan repayments accounted for 613 million baht.

Accounts receivable increased by 142 million baht due to significant increase in sales and extended credit terms from 150 days to 165 days to Prime Steel Mill Company Limited.

Inventories increased by 206 million baht as a result of rising raw material prices that inevitably drive up sales price across the year.

Unit: Million Baht

Liabilities	31 st December 2021	31 st December 2020	Gain (Loss)	%
Short-term loans from financial institutions	748	1,226	(478)	(39)
Accounts payable and other payables	221	138	83	60
Accrued income tax	71	35	36	105

As of 31 December 2564, short term loans significantly went down by 478 million baht or 39% YoY due to the company's increased liquidity that allows for early repayments of P/N and T/R.

Accounts Payables and Other Payables increased by 83 million baht or 60% YoY because of a shift towards overseas suppliers of raw materials and the company's purchase of HRC from Prime Steel Mill Company Limited

Key Financial Ratios

Asset	31 st December 2021	31 st December 2020	Gain (Loss)
Liquidity ratio	2.3	1.5	0.8
Debt-to-equity ratio	0.4	0.7	(0.3)
Return on assets	22.4	3.6	18.8
Return on equity	30.9	6.2	24.7

Yours sincerely,



Chusak Yongvongphaiboon

Managing Director