



9 May 2022

To Director and Manager  
The Stock Exchange of Thailand

Subject Management Discussion and Analysis for the period ended March 31, 2022

President Automobile Industries Public Company Limited's operating results for 3-month period ending 31 March 2022 and financial statement as at 31 March 2022 are as follows:

#### Operating results

Income Statement	For the 3-month period ended					
	31 March 2022		31 March 2021		Change Increase (decrease)	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
<u>Revenues</u>						
Sales	180.82	97.92	181.86	94.76	(1.04)	(0.57)
Gain on exchange	0.01	0.01	6.64	3.46	(6.63)	(99.85)
Other Income	3.82	2.06	3.42	1.78	0.40	11.70
<b>Total revenues</b>	<b>184.65</b>	<b>100.00</b>	<b>191.92</b>	<b>100.00</b>	<b>(7.27)</b>	<b>(3.79)</b>
<u>Expense</u>						
Cost of sales	150.02	81.25	133.70	69.66	16.32	12.21
Selling and distribution expense	5.58	3.02	7.46	3.89	(1.88)	(25.20)
Administrative expense	10.56	5.72	11.80	6.15	(1.24)	(10.51)
<b>Total expense</b>	<b>166.16</b>	<b>89.99</b>	<b>152.96</b>	<b>79.70</b>	<b>13.20</b>	<b>8.63</b>
<b>Operating Profit</b>	<b>18.49</b>	<b>10.01</b>	<b>38.96</b>	<b>20.30</b>	<b>(20.47)</b>	<b>(52.54)</b>
Finance Cost	0.97	0.53	3.33	1.74	(2.36)	(70.87)
<b>Profit before income tax expense</b>	<b>17.52</b>	<b>9.48</b>	<b>35.63</b>	<b>18.56</b>	<b>(18.11)</b>	<b>(50.83)</b>
Income tax expense	0.64	0.35	6.93	3.61	(6.29)	(90.76)
<b>Profit for the period</b>	<b>16.88</b>	<b>9.13</b>	<b>28.70</b>	<b>14.95</b>	<b>(11.82)</b>	<b>(41.18)</b>

#### Sale income

Sale income for the 3-month period ending 31 March 2022 is 180.82 million Baht, decrease by 1.04 million Baht, or 0.57% as compare to the sale income in the same period of the last year, which has no significant changes from previous year.

#### Gain on exchange

Gain on exchange for the 3-month period ending 31 March 2022 is 0.01 million Baht decrease by 6.63 million Baht, or 99.85% as compared to the gain on exchange in same period of last year. This is mainly due to the Thai Baht depreciation in the first 3-months of 2021, resulting in high gain on exchange in that year.



#### Other income

Other income for the 3-month period ending 31 March 2022 is 3.82 million Baht increase by 0.40 million Baht, or 11.70% as compared to the same period of the last year. This is mainly due to the increase in sales of scrap and scrap price.

#### Cost of sales

Cost of sale for the 3-month period ending 31 March 2022 is 150.02 million Baht increase by 16.32 million Baht, or 12.21% as compared to the cost of sales in same period of the last year. This is largely due to the increased raw material price, Aluminium, as well as high costs of repairing machines causing increased in cost of sales.

For the 3-month period ending 31 March 2022, the Company has a gross profit of 30.80 million Baht, or gross profit margin 17.03% (gross profit margin was 26.48% during the same period of the last year). The gross profit decrease by 17.36 million Baht, or 36.06%. This is largely due to the increased raw material price, Aluminium, as well as high costs of repairing machines causing increased in cost of sales.

#### Selling and distribution expense

Selling and distribution expense for 3-month period ending 31 March 2022 is 5.58 million Baht, decrease by 1.88 million Baht, or 25.20% as compared to the same period of the last year. This is mainly due to decrease in freight expense.

#### Administrative expense

Administrative expense for 3-month period ending 31 March 2022 is 10.56 million Baht, decrease 1.24 million Baht, or 10.51% as compared to the same period of the last year. The exceptional administrative expense in first 3-months of 2021 was from the expenses related to preparing for the Initial Public Offering on 22 March 2021.

#### Finance cost

Finance cost for 3-month period ending 31 March 2022 is 0.97 million Baht, decrease 2.36 million Baht, or 70.87% as compared to the same period of the last year. This is partly due to the repayment of short-term loans to financial institutes as well as repayment of long-term loans during the year 2021, resulting in decreased in finance cost in Quarter 1, 2022.

#### Income tax expense

Income tax expense for 3-month period ending 31 March 2022 is 0.64 million Baht decrease 6.29 million Baht, or 90.76% as compared to the same period of the last year. Decreased in income tax expense is due to the decreased in gross profit as well as the corporate income tax exemption granted by BOI.



## Net profit

Net profit for 3-month period ending 31 March 2022 is 16.88 million Baht decrease 11.82 million Baht, or 41.18% as compared to the same period of the last year. This is mainly from the decrease in gross profit and gain of exchange.

## Statement of Financial Position

Finance Position	As at					
	31 March 2022		31 March 2021		Change Increase (decrease)	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Total Assets	1,206.61	100.00	1,145.27	100.00	61.34	5.36%
Total Liabilities	288.42	23.90	243.96	21.30	44.46	18.22%
Total shareholders' equity	918.19	76.10	901.31	78.70	16.88	1.87%

## Asset

As of 31 March 2022, the Company has the total asset 1,206.61 million Baht, increase by 61.34 million Baht, or 5.36% from 31 December 2021. The increased in total asset is due to the increase in inventory of raw material, the Company responded to the problems of raw material shortage and price volatility by increasing the safety stock of the raw materials. Another reason for increased in total assets is from the increased in Accounts Receivables because there was a large sales volume towards the end of Quarter 1, 2022, which caused increasing in Accounts Receivables that is not yet due.

## Liabilities

As of 31 March 2022, the Company has a total liability of 288.42 million Baht, increase 44.46 million Baht, or 18.22% from 31 December 2021, which is mainly due to using short-term loans as working capital.

## Shareholder's equity

As of 31 March 2022, the Company has a total equity 918.19 million Baht, increase 16.88 million Baht, or 1.87% from 31 December 2021. This mainly from increase in net profit during the period.

Please be informed accordingly

Sincerely yours,

Somchai Lertkajornkitti  
Chief Executive Officer