

PERMSIN STEEL WORKS PUBLIC COMPANY LIMITED

4,95-96 Moo 6 Rama 2 Rd., Kokkam Muang – Samutsakorn, Samutsakorn 74000 Thailand

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Date August 10, 2022

Subject: Management Discussion and Analysis for Q 2 year 2022 ended 30 June 2022

Attention: Director and Manager of the Stock Exchange of Thailand

Permsin Steel Works Public Company Limited (PERM) report financial performance for Q 2 year 2022 and period 3 months show for the company's net loss was Baht 48.00 million baht when compare with same period last year show net profit amount 161.19 million baht decrease amount 209.19 million baht or 129.78% and the six months was show net profit amount 26.69 million baht decrease amount 379.85 million baht or the rate 93.43 % when compare with the same period last year due to

Operating Result	Q 2 Year 2022	Q2 Year 2021	Million baht	
			△	%
Revenue from sale and services	1,037.34	1,442.58	-28.09	%
Total revenue	1,042.26	1,445.61	-27.90	%
Net Profit (loss)	(48.01)	161.19	-129.78	%

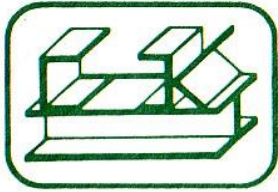
Analysis of the operating performance

Net profit

The company has to show the net loss for Q2 year 2022 ended 30 June 2022 amount 48.00 million baht decreased by 209.19 million baht or the rate 129.78% when compare with the same period last year and the period 6 month was shows net profit amount 26.69 million baht decrease amount 379.85 million baht or the rate 93.43 % due to the main reasons were as follows:

1. Revenue

Total revenue in Q 2 year 2022 period 3 months ended 30 June 2022 was accounted for Baht 1,042.26 million when compare with the same period last year by Baht 1,445.61 million decreased amount 403.35 million baht or the rate 27.90 % revenue from sale and services amount 1,037.14 million decreased amount 405.44 million baht or the rate 28.10 The period six months the total revenue were accounted for Baht 3,173.92 million when



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compare with the same period last year by 3,139.41 million baht increasing by Baht 34.51 million or the rate 1.10 %

when compared to the same period last year and due to increasing form The situation steel industrial fluctuate and

world's economies

2. Expenses

2.1 In Q2 year 2022 Cost of goods sold and services were accounted for baht 953.19 million decreasing by baht 203.95 million or the rate 17.61 % when compared with the same period last year and for six months was amount 2,930.16 million baht increase amount 444.19 million baht or the rate 17.87 % because variable with sale amount increase in quality and price

2.2 In the Q 2 year 2022 selling expense and administrative expense amount 116.19 million baht increase amount 23.93 million baht or the rate 25.93% when compare with the same period last year and period 6 months amount 170.15 million baht increase amount 2.18 million baht or the rate 1.30 % when compare with the same period last year due to the exchange rate increase and situation war in Ukraine has big impact world's economies

3. Financial Cost

In Q 2 year 2022 period 3 months financial cost total amount 14.94 million baht when compared with the same period last year 8.57 million baht increase amount 6.37 million baht or at a rate 74.36 % for the period six months amount 30.87 million baht when compare in the same period last year increase amount 13.55 million or the rate 78.26 % because of increase from the company has increase from import and used short –term loans

Analysis of the Financial Position

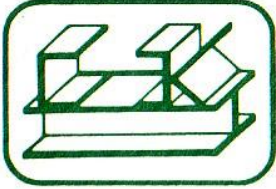
Assets

Company and its subsidiary's asset as follow:

Million baht

Assets	30 June 2022	31 December 2021	Δ %
Trade Receivables	92.11	148.44	-37.95 %
Inventory Balance	2,570.28	2,511.92	+2.32 %
Property, Plant and Equipment	2,017.41	1,843.90	+9.41%
Other	323.83	269.90	+19.98 %
Total Assets	5,003.63	4,774.16	+4.81%

At June 30, 2022 Company's assets were 5,006.63 million baht and increased 229.47million baht when compared to year 2021 the increase was mainly due the inventory, assets and property plant equipment



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In the quarter2 year 2022 inventory has amount 2,570.28 million baht increase amount 58.36 million baht or the rate 2.32 % when compare with the year 2021 because import in the beginning for the year

The property, Plant and equipment amount 2,017.41 million baht increase amount 173.51 million baht or the rate 9.41 % because of increase plant and machine

Liabilities and shareholders' Equity

Liabilities of company and shareholders can be summarized as follows

Liabilities and shareholders' Equity	30 June 2022	31 December 2021	Million baht
			\triangle %
Bank overdraft and short-term loans from financial institutions	2,165.01	2,152.00	+0.60 %
Trade payable	554.72	421.03	+31.75%
Long Term – Loans	454.27	340.09	+33.57%
Other Liabilities	184.17	201.10	-8.42%
Shareholders 'Equity	1,645.46	1,659.94	-0.87%
Total liabilities and shareholder's Equity	5,003.63	4,774.16	+4.81%

At June 30, 2022 total liabilities was amount 3,358.17 million baht increased amount 243.95 million baht or the rate 7.83 % due to the import the product

The trade payable at June 30,2022 was amount 554.72 million baht increase amount 133.68 million baht or at the rate 31.75 % caused increase for purchase the product for trade payable

Shareholders' Equity

Shareholders equity at June 30, 2022 were 1,645.46 million baht decrease of 14.48 million baht or at the rate 0.87% when compared to year 2021 from the follows reasons decrease from the company has dividend payment on for performance in year 2021 amount 90 million baht thus a change in Shareholders' equity from year 2021

And thus, the above are main reasons for the higher operation reserved for Q 2 Year 2022 when compared to the same period in last year more than 20%.

Please be informed accordingly

Sincerely Yours,

(Mr Chukiatt Yongvongpaibul)

Director