

TYCN 022/ 65

10 November 2022

Subject: Submission of financial statements and clarification of operating for Q3 2022

To: President of the Stock Exchange of Thailand

Tycoons Worldwide Group (Thailand) Public Company Limited would like to submit herewith the financial statements Q3 2022 reviewed by independent auditor. The company has profit 15 million baht and profit 134 million baht till the end of Q3 2022 and Q3 2021 respectively which decreased by 119 million baht or 89.08% because of the following reasons:

1. Total revenues increased 415 million baht or 19.99%.
 - Sales increased 408 million baht or 19.74% comparing with Q3 2021, mainly due to the domestic demand increased, resulting in an increase in sales volume of steel products.
2. Total expenses increased 523 million baht or 27.40%.
 - Cost of sales increased 541 million baht or 30.10% compared with Q3 2021, mainly due to the sales volume increased in 2022.
 - Selling and administrative expenses increased 21 million baht or 25.06% compared with Q3 2021, mainly due to the transportation and export-related expenses increased due to the sales volume increased.
 - Reversal of allowance for expected credit losses decreased 8 million baht or 97.26% compared with Q3 2021, mainly because most of the domestic accounts receivable need to purchase accounts receivable insurance or require customers to provide bank guarantees.
 - Reversal of losses from raw material purchase contracts increased 18 MB or 518.25% compared with Q3 2021, mainly due to the decrease in the price of raw materials in the international market.
 - Losses on exchange decreased 29 million baht 77.44% compared with Q3 2021, mainly due to the evaluation loss decrease due to the devaluation of the Thai baht.
3. Share of loss from investment in associate decreased 19 million baht or 100% compared with Q3 2021, mainly due to the changes in investment in TY Steel Co., Ltd., As a result, the

Company's shareholding percentage in this associate decreased from 30.84% to 19.43 %. As a result, the Company lost significant influence on associated company, a status was changed from "associated company" to "related company", and the classification of investment in TY Steel Co., Ltd. was changed from "Investment in associate" to "Equity investments designated at fair value through other comprehensive income". An investment loss of 55 million baht was recognized in Q3 2022.

4. Financial cost increased 10 million baht 89.88% compared with Q3 2021, mainly due to the FED USA interest rate increased causes US dollar borrowing rates to rise sharply.
5. Income tax expenses increased 20 million or 1239.54% compared with Q3 2021, mainly due to the profits gains in 2022, and there is no tax loss carryforward of the prior year's for deductions, so the estimated income tax payable is relatively increased
6. Gross profit margin of Q3 2022 was 5.55% as for Q3 2021 was 13.08%. The main reason for the decreased was the unit price of sales increased in Q3 2022.

Please be informed accordingly.

Sincerely Yours,

.....
(Mr. Natthawat Thanapinyanun)
Director