



METCO

MURAMOTO ELECTRON (THAILAND) PUBLIC COMPANY LIMITED

Registration No. Bor. Mor. Jor. 326

May 12, 2023

Subject : Management Discussion and Analysis regarding METCO's performance for the period of quarter 2, ending March 31, 2023

Attention : Directors and Manager of the Stock Exchange of Thailand

Following the submission to the Stock Exchange of Thailand by Muramoto Electron (Thailand) Public Company Limited of its financial statements for the period of quarter 2, ending March 31, 2023, the Company wishes to report Management Discussion and Analysis regarding its performance for the said period, in which the Company and its subsidiary Net loss of 24.84 million baht, a decrease 163.95 million baht, or decrease 117.85 % from the same period of the prior year, as follows;

1. The Company and its subsidiary earned, in this quarter, an income from sales amount 4,204.07 million baht, a decreased of 37.85 million baht, or decreased 0.89% from the same period of the prior year by decreasing in customers demand for electronics part of subsidiary.
2. The Company and its subsidiary earned, in this quarter, a gross profit amount 303.61 million baht, gross profit decrease 41.13 million baht from the same period of the prior year which gross profit amount 344.74 million baht.
3. The selling and administration expenses of the Company and its subsidiary increased 124.22 million baht from the same period of last year due to VAT penalty.
4. VAT penalty

Regarding to value added tax (VAT) investigation for the year 2020 by Large Taxpayer Office, the Revenue Department related to refundable VAT from imported raw materials as a result to the Company has VAT, penalties and surcharges totaling Baht 300.4 million. The Company has already paid tax to the Revenue Department in January and February 2023 and recorded in administrative expenses account in the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 31 March 2023 of Baht 150.5 million and Baht 300.4 million, respectively. In this regards, The Company had issued the letter of VAT penalty exemption which are under consideration by the Revenue Department.

The Company provides this information for clarification to the Stock Exchange of Thailand and for disseminated to all market investors.



Sincerely,


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(Mr. Ichiro Nishimura)
Director