



CSP 009/2023

May 15, 2023

Subject : Management Discussion and Analysis for the three-months period ended March 31, 2023

To : President  
The Stock Exchange of Thailand

CSP Steel Center Public Company Limited would like to clarify the operating results for the three-months period ended March 31, 2023. The company had profit before income tax expenses amounting to Baht 5.98 million and there was a deferred tax expense arising from the reversal of allowance for diminution in products value in the amount of Baht 7.46 million. Therefore, resulting in the company had net loss of Baht 1.48 million. The last year's had net profit of Baht 33.11 million, results to net profit decreased by Baht 34.59 million due to the following reasons:

#### 1. Revenue

Total revenue was Baht 741.43 million decrease of Baht 137.90 million from the previous year or 15.68% by the following main reasons:

Revenue from sales amount of Baht 738.34 million decreased by Baht 139.55 million or 15.90% due to the average selling price of the period decreased by 16.61%, caused by the market price of steel has decreased however sales volume increased by 0.85% when compared to the previous year.

#### 2. Expenses

Total expenses were Baht 735.45 million decreased of Baht 102.54 million from the previous year or 12.24%. The main reasons were:

- 2.1 Cost of goods sold was Baht 700.87 million decreased from last year Baht 104.73 million or 13.00% because the company's raw material purchasing cost decreased according to the market price, Also, there was a reversal of loss for diminishing value of inventories in the amount of Baht 38.11 million.
- 2.2 Administrative expenses amounted to Baht 19.01 Million, decreased by Baht 0.78 Million or 3.95% compared to the previous year due to the reversal of the allowance for doubtful accounts for trade accounts receivable. As a result, administrative expenses are decreased.



บริษัท ซีเอสพี สตีลเซ็นเตอร์ จำกัด (มหาชน)  
CSP STEEL CENTER PUBLIC COMPANY LIMITED

- 2.3 Financial costs amounted to Baht 8.62 million increasing of Baht 2.34 million from the same period of last year or 37.24% due to increasing interest rate of short-term loans from financial institutions, which the company has borrowed for purchasing goods and raw materials, including working capital of the company.

Please be informed accordingly,

Yours faithfully

(Mr. Weerasak Chaisupat)  
Managing Director