



8 May 2023

To Director and Manager  
The Stock Exchange of Thailand

**Subject Management Discussion and Analysis for the period ended March 31, 2023**

President Automobile Industries Public Company Limited's operating results for 3-month period ending 31 March 2023 and financial statement as at 31 March 2023 are follows:

**Operating results**

Income Statement	For the 3-month period ended					
	31 March 2023		31 March 2022		Change Increase (decrease)	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
<u>Revenues</u>						
Sales	218.80	97.02	180.82	97.93	37.98	21.00
Gain on exchange	-	-	0.01	-	(0.01)	(100.00)
Other Income	6.73	2.98	3.82	2.07	2.91	76.18
<b>Total revenues</b>	<b>225.53</b>	<b>100.00</b>	<b>184.65</b>	<b>100.00</b>	<b>40.88</b>	<b>22.14</b>
<u>Expense</u>						
Cost of sales	193.90	85.98	150.02	81.24	43.88	29.25
Selling and distribution expense	5.89	2.61	5.58	3.02	0.31	5.56
Administrative expense	15.65	6.94	10.56	5.72	5.09	48.20
Loss on exchange	1.25	0.55	-	-	1.25	100.00
<b>Total Expense</b>	<b>216.69</b>	<b>96.08</b>	<b>166.16</b>	<b>89.98</b>	<b>50.53</b>	<b>30.41</b>
<b>Operation Profit</b>	<b>8.84</b>	<b>3.92</b>	<b>18.49</b>	<b>10.02</b>	<b>(9.65)</b>	<b>(52.19)</b>
Financial Cost	3.87	0.82	0.97	0.53	2.90	298.97
<b>Profit before income tax expense</b>	<b>4.97</b>	<b>3.10</b>	<b>17.52</b>	<b>9.49</b>	<b>(12.55)</b>	<b>(71.63)</b>
Income Tax expense	1.56	0.05	0.64	0.35	0.92	143.75
<b>Profit for the period</b>	<b>3.41</b>	<b>3.05</b>	<b>16.88</b>	<b>9.14</b>	<b>(13.47)</b>	<b>(79.80)</b>

**Sale income**

Sale income for 3-month period ending 31 March 2023 is 218.80 million Baht, increase by 37.98 million Baht, or increase 21% as compared to the same period of the last year. The Company has increased production capacity to support the increased in demand from overseas customers which results in the increased sale income for 3-month period.



### Other income

Other income for the 3-month period ending 31 March 2023 is 6.73 million Baht increase by 2.91 million Baht, or 76.18% as compare to the same period of the last year. This is mainly due to increase in sales of scrap.

### Cost of sales

Cost of sales for the 3-month period ending 31 March 2023 is 193.90 million Baht, increase by 42.88 million Baht, or 29.25% as compared on the same period of last year. The increase in cost of sales is due to increase in sale revenue as well as increase in labor cost and electricity costs.

For the 3-month period ending 31 March 2023, the company has gross profit of 24.90 million Baht, or gross profit margin 11.38%. The gross profit decreased by 5.90 million Baht, or 19.16% (gross profit margin was 17.03% during the same period of the last year). This is a result from increase in minimum wage and electricity price.

### Selling and distribution expense

Selling and distribution expense for the 3-month ending 31 March 2023 is 5.89 million Baht, increase 0.31 million Baht, or 5.56% as compared to the same period of the last year. This is mainly due to the increase in transport expense.

### Administrative expense

Administrative expense for the 3-month period ending 31 March 2023 15.64 million Baht, increase 5.09 million Baht, or 48.20% as compared to the same period of last year. This is from loss from forward currency contract, allowance for doubtful debt, expenses from capital increase and compensation fund amounted to 4.48 million Baht.

### Financial cost

Financial cost for the 3-month period ending 31 March 2023 is 3.87 million Baht, increase by 2.90 million Baht, or 298.97 as compared to the same period of the last year. This is due to the short-term and long-term loans for working capital as well as increase in interest rates by the government, causing the financial cost to increase.

### Income tax expense

Income tax revenue for the 3-month period ending 31 March 2023 is 1.56 million Baht, increase by 0.92 million Baht, or 143.75% as compared to the same period of the last year. This is because in the previous year, the Company received a BOI incentive for corporate income tax reduction resulting in an increased this year as compared to last year.



## Net Profit

Net Profit for the 3-month period ending 31 March 2023 is 3.41 million Baht, decrease 13.47 million Baht, or 79.80% as compared to the same period of the last year. This is mainly from the decrease in gross profit and increase administrative expense and financial cost.

## Statement of Financial Position

Financial Position	As at					
	31 March 2023		31 December 2022		Change Increase (decrease)	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Total Asset	1,460.32	100.00	1,414.58	100.00	45.74	3.23
Total Liabilities	523.10	35.82	480.77	33.99	42.33	8.80
Total shareholder's equity	937.22	64.18	933.81	66.01	3.41	0.37

## Asset

As of 31 March 2023, the Company has total asset 1,460.32 million Baht, increase by 45.74 million Baht, or 3.23% from 31 December 2022. This is mainly due to the cash received during Quarter 1, 2023 and increase in inventory to support the customer demand.

## Liabilities

As of 31 March 2023, the Company has the total liabilities of 523.10 million Baht, or 42.33% from 31 December 2022, which is largely due to increase in short-term loans for working capital, Accounts Payables from increase purchase of raw materials.

## Shareholder's equity

As of 31 March 2023, the Company has total equity 937.22 million Baht, increase 3.41 million Baht, or 0.37% from 31 December 2022. This increase is from the Net Profit in Quarter 1, 2023.

Please be informed accordingly

Sincerely yours,

Mr. Somchai Lertkajornkitti  
Chief Executive Officer