



METCO

MURAMOTO ELECTRON (THAILAND) PUBLIC COMPANY LIMITED

Registration No. Bor. Mor. Jor. 326

August 10, 2023

Subject : Management Discussion and Analysis regarding METCO's performance for the third quarter period ending June 30, 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 third quarter period ending June 30, 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 profit of 30.48 million baht, a decrease 52.44 million baht, or decrease 63.24 % from the same period of the prior year, as follows;

1. The Company and its subsidiary earned an income from sales in this quarter amount 3,785.70 million baht, a decreased of 42.82 million baht, or decreased 10.16% from the same period of the prior year by decreasing in customers demand for electronics part which effected from Russia-Ukraine war.
2. The Company and its subsidiary earned a gross profit in this quarter amount 192.16 million baht, gross profit decreased 117.19 million baht from the same period of the prior year which gross profit amount 309.35 million baht.
3. For the nine-month period ending June 30, 2023, the selling and administration expenses of the Company and its subsidiary increased 250.38 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 fully recorded in administrative expenses account in the statements of comprehensive income for the nine-month periods ended 30 June 2023. 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,


(Mr. Ichiro Nishimura)
Director