

TYCN 018/66

10 August, 2023

Subject: Submission of financial statements and clarification of operating for Q2 2023.

To: President of the Stock Exchange of Thailand

Tycoons Worldwide Group (Thailand) Public Company Limited would like to submit herewith the financial statements Q2 2023 reviewed by independent auditor. The Company has net profit 61 million baht and net profit 17 million baht till the end of Q2 2023 and Q2 2022 respectively which increased by 44 million baht or 256.46% because of the following reasons:

1. Total revenues decreased 1,087 million baht or 39.75%.
  - Sales decreased 1,107 million baht or 40.61% comparing with Q2 2022 mainly because the market is facing economic downturn risks, resulting in a decreasing in the sales of steel products volume.
  - Other income increased 21 million baht or 297.72% comparing with Q2 2022 mainly due to foreign exchange gains.
  
2. Total expenses decreased 1,141 million baht or 42.08%.
  - Cost of sales decreased 1,072 million baht or 41.88% compared with Q2 2022 mainly due to the sales volumes decreased.
  - Selling and administrative expenses decreased 19 million baht 19% compared with Q2 2022 mainly due to the reduction in transportation and export-related expenses due to the decrease in sales volume.
  - Reversal Allowance for expected credit losses decreased 7 million baht or 100% compared with Q2 2022 mainly due to the balance of overdue accounts receivable has decreased compared with the previous period.
  - Losses from raw material purchase contracts decreased 21 million baht or 98.35% compared with Q2 2022 mainly due to the sharp decrease in inventory compared with the same period last year, and the decline in international steel prices has eased compared to the previous period.
  - Losses on exchange decreased 36 million baht or 100% compared with Q2 2022 mainly due to the appreciation of the Thai baht, no evaluation loss occurred.

3. Share of loss from investments in associates increased 2 million baht or 100% compared with Q2 2022 mainly due to in 2023, the normal operating loss of associates will be recognized as 2 million baht.
4. Income tax expenses decreased 7 million baht or 71.86% compared with Q2 2022 mainly due to the amount of unrealized benefits is larger than that of the previous period, so the estimated income tax payable is relatively reduced.
5. Gross profit margin of Q2 2023 was 8.13% as for Q2 2022 was 6.12%. Mainly due to the appreciation of the Euro, cause the price of bolts in Thai currency is higher compared with Q2 2022.

Please be informed accordingly.

Sincerely Yours,

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(Ms. Hwang, Feng- Mei)  
Director