

(Translation)

August 9, 2023

Subject: Clarification for operation performance 6 months period of June 30, 2023
Attention: The President of
The Stock Exchange of Thailand

Arrow Syndicate Public Company Limited ("Company") would like to report its financial results for 6 months ended June 30, 2023, with a profit of Baht 33.37 Million decreased of Baht 11.65 Million or decreased 25.88% compared to the same period of the previous year which reported the profit Baht 45.01 Million due to the following reasons.

1. The company had sales and services revenue increased of Baht 13.19 million or increased 1.99% compared to the same period of previous year mostly from clients' demand increased.
2. The gross profit from sales and services had increased of Baht 8.36 Million or increased of 7.08% compared to the same period of previous year from several reasons such as,
 - Steel raw material cost, which is the company's main cost decreased and stable to the present. The company considered to increase the sell target to maintain production efficiency.
 - Gross profit and gross profit margin increased due to decreased cost of steel raw materials while revised the selling price of some products and services. However, the Company has a policy to adjust the selling price to be in line with the market price while maintaining the gross profit margin at a competitive level.
3. Other revenue decreased by Baht 0.74 Million or decreased 5.71% compared to the same period of the previous year from revenue from assets sales, a gain of foreign exchange rate, and less receiving duty refund from importing raw materials.
4. Distribution Cost increased by Baht 4.59 Million or increased 18.77% from the same period of the previous year mainly due to an increase in local shipping cost and promotional costs.
5. The administrative expenses increased by Baht 18.41 Million or increased 18.77% compared to the same period of the previous year due to an increase in doubtful debts.
6. Financial cost – interest expense increased by Baht 0.94 Million or increased by 22.96% compared to the same period of the previous year. The Company had purchase of raw materials by using more credit from financial institutions while an interest rate increasing. Causing interest expenses from using loans to increase. However, the Company has the financial strength and the ability to pay interest and debt.
7. Corporate income tax decrease of Baht 4.67 Million or decreased 35.70% from the same period of previous year due to decrease of operating profit.

Please be informed accordingly,

Sincerely yours,



(Mr. Tanin Tanprawat)
Managing Director