

**ASEFA PUBLIC COMPANY LIMITED**

บริษัท เอเชียไฟ จำกัด (มหาชน)

No. CS66/077

August 10, 2023

Subject: Management Discussion and Analysis of Quarter 2 period ended June 30, 2023

Attention: The Board of directors  
The Stock Exchange of Thailand

The Board of Directors' Meeting of Asefa Public Company Limited ("the Company") No.5/2023 held on August 10, 2023 approved the financial statement of the Interim Financial Statements for the three-month period ended June 30, 2023. The Company would like to clarify the changes in significant performance are as follows;

(Unit: Million Baht)

Consolidated Financial Statement	Q2'2023	Q2'2022	Change		6-Month 2023	6-Month 2022	Change	
			Increased / (Decreased)				Increased / (Decreased)	
			Amount	%			Amount	%
Revenue for sale and services	795.93	766.31	29.62	3.87	1,659.09	1,300.16	358.92	27.61
Cost of sales and services	649.18	624.78	24.40	3.91	1,369.54	1,069.65	299.89	28.04
<b>Gross profit</b>	<b>146.75</b>	<b>141.54</b>	<b>5.22</b>	<b>3.68</b>	<b>289.55</b>	<b>230.51</b>	<b>59.04</b>	<b>25.61</b>
<b>Gross Profit Margin (%)</b>	<b>18.44%</b>	<b>18.47%</b>			<b>17.45%</b>	<b>17.73%</b>		
Other income	4.15	9.44	(5.29)	(56.00)	13.34	14.34	(1.01)	(7.01)
<b>Profit before expenses</b>	<b>150.90</b>	<b>150.97</b>	<b>(0.07)</b>	<b>(0.05)</b>	<b>302.88</b>	<b>244.85</b>	<b>58.03</b>	<b>23.70</b>
Distribution & Administrative expenses	107.67	101.63	6.04	5.94	214.25	184.59	29.65	16.07
Finance costs	2.64	0.39	2.25	(575.36)	4.53	0.72	3.82	531.94
Share of loss from investment in associate	0.42		0.42	100.00	0.93		0.93	100.00
<b>Profit before income tax</b>	<b>40.17</b>	<b>48.95</b>	<b>(8.78)</b>	<b>(17.93)</b>	<b>83.18</b>	<b>59.54</b>	<b>23.63</b>	<b>39.69</b>
Income tax expenses	7.88	9.52	(1.64)	(17.26)	16.50	11.87	4.64	39.06
<b>Net profit (Equity holders of the Company)</b>	<b>33.22</b>	<b>40.05</b>	<b>(6.83)</b>	<b>(17.05)</b>	<b>67.51</b>	<b>48.90</b>	<b>18.61</b>	<b>38.05</b>
<b>Net Profit Margin (%)</b>	<b>4.15%</b>	<b>5.16%</b>			<b>4.04%</b>	<b>3.72%</b>		
<b>Earnings per share (Baht)</b>	<b>0.06</b>	<b>0.07</b>	<b>(0.01)</b>	<b>(14.28)</b>	<b>0.12</b>	<b>0.09</b>	<b>0.03</b>	<b>33.33</b>

**Performance Analysis and Discussion**

Overview of results for the three-month period ended June 30, 2023, the company and its subsidiaries had total revenues from sales and service of 795.93 million baht, an increased by 29.62 million baht or by 3.87%, with a net profit of 33.22 million baht, decreased of 6.83 million baht or by 17.05%, net profit margin decreased from 5.16% to 4.15%, when compared to the same period of last year.

For the first half of year 2023, the company and its subsidiaries had total revenues from sales and service of 1,659.09 million baht, an increased by 358.92 million baht or by 27.61%, with a net profit of 67.51 million baht, increased of 18.61 million baht or by 38.05%, net profit margin increased from 3.72% to 4.04%, when compared to the same period of last year.



### **Revenues for sales and service**

Revenues from sales and service for the three-month period ended June 30, 2023, amounting to 795.93 million baht, increased by 29.62 million baht or by 3.87%, when compared to the same period of last year. The mainly change being to manufacturer and distributor by company group, decreased by 17.10 million baht and supplied and distributed products group increased by 45.05 million baht. For the revenue from the service group, increased by 1.67 million baht.

### **Costs of sales and service**

Costs of sales and service for the three-month period ended June 30, 2023 and 2022, amounting to 649.18 million baht and 624.78 million baht respectively, increased by 24.40 million baht which corresponds to the increase in sales. The gross profit margin was 18.44% which was close to the same period last year.

### **Selling, Distribution & Administrative expenses**

Selling, Distribution and Administrative expenses for the three-month period ended June 30, 2023 and 2022, amounting to 107.67 million baht and 101.63 million baht respectively, increased 6.04 million baht or by 5.94%. The major increase will be in respect of salary expenses and employee-related expenses.

### **Statements of Financial Position**

(Unit: Million Baht)

Consolidated Financial Statement	As at Jun 30, 2023	As at Dec 31, 2022	Change Increased / (Decreased)	
			Amount	%
Current assets	2,141.76	2,094.95	46.81	2.23
Non – current assets	888.49	825.68	62.81	7.61
<b>Total assets</b>	<b>3,030.25</b>	<b>2,920.63</b>	<b>109.62</b>	<b>3.75</b>
Liabilities	1,514.32	1,336.89	177.43	13.27
Shareholders' equity	1,515.93	1,583.74	(67.81)	(4.28)
<b>Total Liabilities and shareholders' equity</b>	<b>3,030.25</b>	<b>2,920.63</b>	<b>109.62</b>	<b>3.75</b>

### **Analysis of Financial Condition**

#### **Assets**

As of June 30, 2023, the total assets amounting to 3,030.25 million baht, increased from the year ended December 31, 2022 by 109.62 million baht. or 3.75%. Significant changes are as follows;

Trade and other current receivables decreased by 79.61 million baht, since the Company received payment from debtors due during the period In addition, there are unpaid receivables (asset arising from revolving contracts) from project work increased by 44.41 million baht. Loans to other parties decreased by 30.44 million baht because during the period the company received loan repayment. Loans to other parties decreased by 30.44 million baht because during the period the company received loan repayment.



## ASEFA PUBLIC COMPANY LIMITED

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The Inventories-net increased by 59.29 million baht, Most of this increases in finished goods and work in process, which are in the process of being worked and waiting to be delivered. Fixed assets, property, plant and equipment increased by 22.04 million baht, an increase from the purchase of assets during the period by 40.83 million baht and depreciation and amortization of assets during the period. 17.29 million baht.

### **Liabilities**

As of June 30, 2023, the total liabilities amounting to 1,514.32 million baht, increased from the year ended December 31, 2022 by 177.43 million baht or 13.27%. Significant changes are as follows;

Bank overdrafts and short-term loans from financial institutions, increased by 202.35 million baht, due to the Company's used the loan to invest for the subsidiary. Current contract liabilities, increased by 20.99 million baht, due to the company There is a deposit received in advance for goods and services in new projects, increased from the previous period The company's debt to equity ratio slightly increased from 0.83 times to 0.98 times.

### **Shareholders' Equity**

As of June 30, 2023, Shareholders' Equity in the amount of 1,515.93 million baht, decreased 67.81 million baht, or 4.28%. During the period, there were operating profits of 66.67 million baht. The Company sold a share of the joint venture's profit of 3 million baht, a dividend payment of 97.49 million baht, and treasury shares in the amount of 33.73 million baht.

For your information.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Phaiboon Ungkanakornkul'.

Mr. Phaiboon Ungkanakornkul

Managing Director