



October 24, 2023

Subject Management Discussion and Analysis for the 6-month period ending on June 30, 2023

 To Director and Manager  
 Stock Exchange of Thailand

Window Asia Public Company Limited would like to clarify the operating results for the 6-month period ending on June 30, 2023 as follows:

Profit and Loss	6-month 2022		6-month 2023		Change	
	Amount	%	Amount	%	Amount	%
Revenue from sales	524.83	100.0	519.50	100.0	(5.34)	(1.0)
Cost of goods sold	(378.53)	72.1	(362.64)	69.8	15.89	(4.2)
Gross profits	146.31	27.9	156.86	30.2	10.55	7.2
Other revenue	11.19	2.1	7.39	1.4	(3.80)	(33.9)
Profit before expenses	157.50	30.0	164.25	31.6	6.75	4.3
Selling expenses	(53.81)	10.3	(67.13)	12.9	(13.32)	24.8
Administrative expenses	(25.39)	4.8	(28.09)	5.4	(2.70)	10.6
Other profit (loss)	4.61	0.9	0.09	0.0	(4.52)	(98.1)
Financial expenses	(5.39)	1.0	(6.36)	1.2	(0.97)	18.0
Share of losses from investment in JV	(1.76)	0.3	(9.56)	1.8	(7.80)	443.2
Total expense	(81.74)	15.6	(111.05)	21.4	(29.31)	35.9
Profit before income tax	75.76	14.4	53.20	10.2	(22.55)	(29.8)
Income tax	(11.21)	2.1	(11.15)	2.1	0.06	(0.5)
Net profits	64.55	12.3	42.05	8.1	(22.49)	(34.8)

### Management Discussion and Analysis of financial position and performance

For the first 6-month period ending on June 30, 2022 and 2023, the total revenue of the Company amounted to THB 536.02 million and THB 526.89 million, respectively. This includes revenue from sales and other income. In the second quarter of 2022 and 2023, the revenue from sales of the company was THB 524.83 million and THB 519.50 million, respectively. The main factors contributing to the decrease in revenue were the economic slowdown, coupled with a decrease in sales volume due to market competition. For other income of the Company during that period, it amounted to THB 11.19 million and THB 7.39 million, respectively. This was primarily income from the sales of aluminum and UPVC scraps, which are residual raw materials from the production process. This change in sales revenue mentioned above resulted in the Company having gross profit of THB 146.31 million and THB 156.86 million, respectively, or an gross profit margin of 27.9% and 30.2%,



respectively. The increase in gross profit was due to a decrease in the cost of raw materials for products in the global market, and the net profit amounted to THB 64.55 million and THB 42.05 million, respectively, or a net profit margin of 12.0% and 8.0%, respectively. The decrease in net profit was due to an increase in selling expenses in relation to the Company's advertisement, along with recognizing the share of losses from the investments in Keha Sukpracha Public Company Limited.

#### Revenue from sales

For the first 6-month period of 2023, revenue from sales decreased by THB 5.34 million, or a decrease in a rate of 1.0% compared to the same period in the previous years. This decrease can be attributed to the economic slowdown and increased competition in the market, which led to a reduction in sales volume.

#### Other revenue

For the first 6-month period of 2023, revenue from sales of aluminum and UPVC scraps amounted to THB 4.48 million, which decreased by THB 4.17 million when compared to the same period in the previous year. This reduction is attributed to the Company's improved efficiency in the product manufacturing process through adjustments in the raw materials cutting method, resulting in a decrease in leftover aluminum scraps from the production process.

#### Gross profits

For the first 6-month period of 2023, the Company's gross profit increased by THB 10.55 million, or an increase in a rate of 7.2% compared to the same period of the previous year due to a decrease in costs of goods sold during that period. The gross profit margin for the first 6 months of 2023 is 30.2%

#### Selling expenses

For the first 6-month period of 2023, the selling expenses increased by THB 13.32 million, or an increase in a rate of 24.8% compared to the same period of the previous year. This increase is attributed to higher expenses related to the Company's public relations activities.

#### Administration expenses

For the first 6-month period of 2023, administrative expenses increased by THB 2.70 million, or an increase in a rate of 10.6% compared to the same period of the previous year. This increase is a result of higher depreciation and selling expenses amounting to THB 1.97 million from the new office building.

#### Net profits

For the first 6-month period of 2023, the Company has net profit decreased by THB 22.49 million, or a decrease in a rate of 34.8% compared to the same period of the previous year. This decrease in net profit is a



result of increased expenses in selling and administrative costs related to public relations activities as well as recognizing a higher depreciation. Additionally, the Company recognized the share of losses from the investment in Keha Sukpracha Public Company Limited, amounting to THB 9.56 million.

Balance sheet	December 31, 2022		June 30, 2023		Change	
	Amount	%	Amount	%	Amount	%
Total Assets	1,061.49	100.0	1,194.50	100.0	133.01	12.5
Total Liabilities	564.07	53.1	655.02	54.8	90.95	16.1
Total equity	497.42	46.9	539.47	45.2	42.05	8.5

As of June 30, 2023, the Company's total assets amounted to THB 1,194.50 million, an increase of THB 133.01 million compared to the end of 2022. The main reasons are attributed to the construction of a new factory building and an increase in account receivables as the revenue from sales mainly increased from modern trades channel. Regarding the total liabilities of the Company, it amounted to THB 655.02 million, which was nearly the same at the end of 2022. The Company reported higher trade payables and other payables, along with long-term loans from financial institutions due to the additional borrowing for construction of the factory building. For the shareholders' equity, it amounted to THB 539.47 million, which was an increase of THB 42.05 million. This increase was a result of the Company's net profit for the mentioned periods.

Please be informed accordingly.

Yours sincerely,

(Miss Patinun Tantivasin)

Chief Financial Officer

Window Asia Public Company Limited