

Ref. no. STPI.FAD.015/2023

13th November 2023

Subject: Clarification on Financial Statements for the Third Quarter of 2023

To: President of the Stock Exchange of Thailand

In addition to the submission of STP & I Public Company Limited for the quarterly Financial Statements, ended 30 September 2023, the Company would like to provide further explanation for the changes in financial performance as follows:

- The Company reported Revenue from fabrication work of Baht 707 million for the 3rd quarter of 2023; decreased by 34% from Baht 1,065 million of the same period last year due to lower level of revenue recognition from operation. However, wellhead platform dismantling services have begun to be performed in the current quarter, together with the increased sales of machinery, leading to a 174% increase year-on-year in revenue from sales and services. Revenue from rental of real estates were about the same value with those of previous year.
- Gross profit margin decreased compared to the same quarter of the previous year. This is because some work income cannot yet be recognized because the conditions for collecting work fees as per the contract have not yet been met. But there are costs from accelerating work. Moreover, the workload was still not at full capacity so the Company still needed to record Factory overhead not allocated to the cost of fabrication work of Baht 31 million, but nevertheless a 31% lower than the same quarter of 2022.
- The Company reported a foreign exchange gain of Baht 80 million in this reporting quarter, compared to Baht 1 million loss of last year, from an adjustment in book value of USD assets and liabilities at period end.
- During the 3rd quarter of 2022, the economic crisis impacted on global investment markets; causing investment values in both debt and equity securities to decline drastically and thus the Company needed to recognize losses related to investments of Baht 35 million. In this same period of 2023 various situations have been improving so the Company recognized Baht 19 million gain from the said investments, however, there was also Baht 17 million realized loss from selling of these financial assets.
- From the aforementioned reasons, the Company reported a Net profit attributable to the shareholders of Baht 90 million for the 3rd quarter of 2023, which improved 65% from Baht 54 million of the same period in 2022.

Please kindly be informed.

Best regards,

(Ms. Supattra Yangtrong)

Finance & Accounting Department Manager