



13 November 2023

To: President  
The Stock Exchange of Thailand

Re: Management Discussion and Analysis (MD&A) for the Third Quarter of 2023 ending as at 30 September 2023

P.C.S. Machine Group Holding Public Company Limited (“the Company”) would like to inform the Management Discussion and Analysis (MD&A) for the third quarter of 2023 ending at 30 September 2023 as follow;

#### Summary of Automotive Industry for the third quarter of 2023

The Automotive Industry Club, the Federation of Thai Industries, reported the information of overall automotive industry in the third quarter of 2023, as following.

- Total production of cars was 464,459 units, decreasing 6.0% compared to the same period of 2022 of 493,926 units but increasing 12.3% from the second quarter 2023 of 413,725 units.
- The production of 1-ton pickup truck was totaling 293,975 units, decreasing 8.7% compared to the same period of 2022 of 322,090 units but increasing 11.5% from the second quarter 2023 of 263,633 units.
- The domestic of car sale was 180,739 units, decreasing 12.4% compared to the same period of 2022 of 196,107 units and decreasing 4.4% from the second quarter 2023 of 189,058 units.
- The vehicle export of 293,083 units, increasing 14.1% comparing to the third quarter of 2022 of 256,800 units and increasing of 14.9% from the second quarter 2023 of 255,124 units.

#### Financial Summary for the statement of comprehensive income for the three-month period of the third quarter 2023

- The Company recorded Sales Revenue at Baht 1,030.8 million, increasing 9.9% from the same period of 2022, and increasing 7.4% from the second quarter of 2023 due to the continuing order increase of BEV or Battery Electric Vehicle parts, which was accounting for 30% of sale revenue in the third quarter 2023.
- The ratio of cost of goods sold to sale revenue declined to 71.7% from 75.4% in the same period of 2022 and from 72.5% in the second quarter of 2023 as the result of the decrease in the cost of raw material which was due to the Russian-Ukrainian War situation and the decrease of the depreciation cost.
- The Gross Profit of Baht 292.2 million, with the gross profit margin at 28.3%, was increased from the same period of 2022 of Baht 230.4 million and from the second quarter of 2023 at Baht 264.4 million, in relation to the increase of the sale revenue and the decrease of the ratio of cost of goods sold to sale revenue.



- The net profit increased to Baht 243.5 million with the net profit margin of 23.2%, the earning per share of Baht 0.160, compared with the net profit in the same period of 2022 of Baht 158.4 million and the net profit in the second quarter of 2023 of Baht 226.2 million.

### Financial Summary for the statement of comprehensive income for the nine-month period of the third quarter 2023

- The Company recorded Sales Revenue at Baht 3,071.4 million, increasing 5.5% from the period of 2022 at Baht 2,911.6 million.
- The ratio of cost of goods sold to sale revenue at 72.7% decreased from 75.8% from the same period of 2022.
- The gross profit of Baht 839.9 million increase of 19.1% from the same period of 2022 at Baht 705.5 million, which was the gross profit margin for the period of 27.3%.
- The selling and administrative expenses of Baht 181.8 million decreased of 6.5% from the same period of 2022.
- The net profit of Baht 626.7 million increased by 21.4%, compared with the net profit of Baht 516.1 million in the same period of 2022 with the ratio of net profit to sale revenue of 20.0%.

### Statement of Financial Position

Descriptions	As of 30 Sep 2023	As of 31 Dec 2022	Changes + / (-)
Current Assets	3,188.4	3,279.8	(91.4)
Non-current Assets	2,817.7	2,546.9	270.8
Total Assets	6,006.1	5,826.7	179.4
Current Liabilities	746.7	592.5	154.2
Non-current Liabilities	355.3	372.9	(17.6)
Total Liabilities	1,102.0	965.4	136.6
Paid-up Share Capital	1,525.0	1,525.0	-
Share Premium	2,741.7	2,741.7	-
Retained Earnings	534.7	518.0	16.7
Total Shareholders' Equity	4,904.1	4,861.3	42.8

(Unit: THB million)

Total Assets as of 30 September 2023 were Baht 6,006.1 million.

- Current Assets decreased from the end of 2022 due to the inventory decrease.
- Other current financial assets decreased by Baht 264.0 million due to the maturity of fixed deposits over 3 months.
- Cash and cash equivalents increased by Baht 294.8 million.



- Non-current asset increased by Baht 270.8 million due to the investment in machines and equipment to support the production of Baht 482.4 million, net from the depreciation expense for the period of 198.3 million.

**Total liabilities** as of 30 September 2023 were Baht 1,102.0 million, increased by Baht 136.6 million from the end of 2022, which was mainly from the increase of the current liabilities to suppliers due to the increase in production volume.

**Equity** as of 30 September 2023 were Baht 4,904.1 million, increased by Baht 42.8 million comparing to the end of 2022 according to total comprehensive income for the period of Baht 652.8 million and the 2022 annual dividend payment and the 2023 interim dividend payment, totaling Baht 610.0 million.

### Cash Flow Statement

Descriptions	As at 30 Sep 2023	As at 30 Sep 2022	Changes +/-(-)
Cash flows from operating activities	1,111.7	765.2	346.5
Cash flows used in investing activities	(185.3)	(864.8)	679.5
Cash flows used in financing activities	(632.1)	(495.3)	(136.8)
Net increase (decrease) in cash	296.3	(578.8)	
<b>Cash and cash equivalents</b>	<b>1,089.0</b>	<b>444.3</b>	

(Unit : THB million)

The Company's net cash position as of 30 September 2023 was Baht 1,089.0 million.

- Cash flow from operating activities was Baht 1,111.7 million.
- Cash flow used in investing activities of Baht 185.3 million due mainly to the investment to purchase machines and equipment to support the production of Baht 477.9 million, net from cash inflow due to the maturity of fixed deposits over 3 months of Baht 264.0 million and cash received from interest income of Baht 23.2 million.
- Cash used in financing activities was Baht 632.1 million due mainly to the annual dividend payment to shareholders in May 2023 and the interim dividend payment in September 2023, totaling Baht 610.0 million.

Please be informed accordingly.

Sincerely Yours,

(Mr. Angkrit Rungrotkitiyot)

Chief Executive Officer





Attachment to Management Discussion and Analysis (MD&A) for the Third Quarter of 2023

The summary of the financial overview for the quarterly comparison of the third quarter of 2023, the Company presented the financial information for each item by including local business and overseas business as the overseas business had ceased their operation since the second quarter of 2023.

Financial Overview for Quarterly Comparison

Descriptions	Q3-2023	Q2-2023	Q2-2022	Changes QoQ (%)	Changes YoY (%)	Ratio to Sales Q3- 2023	Ratio to Sales Q2- 2023	Ratio to Sales Q3- 2022
Sales Revenue	1,030.8	960.0	937.6	7.4%	9.9%			
Other Revenue	16.5	7.0	26.7	134.4%	(38.2%)			
Total Revenue	1,047.4	993.9	964.4	5.4%	8.6%			
Cost of Goods Sold	738.6	695.6	707.2	6.2%	4.4%	71.7%	72.5%	75.4%
Gross Profits	292.2	264.4	230.4	10.5%	26.8%	28.3%	27.5%	24.6%
SG&A	62.7	63.7	59.1	(1.6%)	6.1%	6.1%	6.6%	6.3%
Net Profit	243.5	226.0	158.4	7.7%	53.7%	23.2%	22.7%	16.4%
- Local Business	249.9	216.9	186.4	15.2%	34.1%	24.3%	22.6%	19.9%
- Profit (Loss) from Overseas Business and discontinued operations	(7.0)	(17.7)	(42.1)					
- Gain (Loss) on Fx (Unrealized)	0.6	26.8	14.1					

(Unit : THB million)



Financial Overview for 9-Month Comparison

Description	9M 2023	9M 2022	Changes YoY (%)	Ratio to Sales 9M- 2023	Ratio to Sales 9M - 2022
Sales Revenue	3,071.4	2,911.6	5.5%		
Other Revenue	67.2	69.6	(3.4%)		
Total Revenue	3,138.6	2,981.2	5.3%		
Cost of Goods Sold	2,231.5	2,206.1	1.2%	72.7%	75.8%
Gross Profit	839.9	705.5	19.1%	27.3%	24.2%
SG&A	181.8	194.4	(6.5%)	5.9%	6.7%
Net Profit	626.7	516.1	21.4%	20.0%	17.3%
- Local Business	677.3	567.8	19.3%	22.1%	19.5%
- Profit (Loss) from Overseas Business and discontinued operations	(84.6)	(46.6)			
- Gain (Loss) on Fx (Unrealized)	34.0	(5.1)			

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