



# ASEFA PUBLIC COMPANY LIMITED

บริษัท อาซีฟา จำกัด (มหาชน)

No. CS66/111

November 9, 2023

Subject: Management Discussion and Analysis of Quarter 3 period ended September 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.6/2023 held on November 9, 2023, approved the financial statement of the Interim Financial Statements for the three-month period ended September 30, 2023. The Company would like to clarify the changes in significant performance are as follows;

(Unit: Million Baht)

Consolidated Financial Statements	Q3/2023	Q3/2022	Change		9M/2023	9M/2022	Change	
			Increased / (Decreased)				Increased / (Decreased)	
			Amount	% +/-			Amount	% +/-
Revenue from sales and service	794.62	853.25	(58.63)	(6.87)	2,453.70	2,153.41	300.29	13.94
Cost of sales and service	647.75	731.23	(83.49)	(11.42)	2,017.29	1,800.89	216.40	12.02
<b>Gross profit</b>	<b>146.87</b>	<b>122.02</b>	<b>24.85</b>	<b>20.37</b>	<b>436.42</b>	<b>352.53</b>	<b>83.89</b>	<b>23.80</b>
<b>Gross Profit Margin (%)</b>	<b>18.48%</b>	<b>14.30%</b>			<b>17.79%</b>	<b>16.37%</b>		
Other income	7.68	3.68	4.00	108.68	21.02	18.02	2.99	16.61
<b>Profit before expenses</b>	<b>154.55</b>	<b>125.70</b>	<b>28.85</b>	<b>22.95</b>	<b>457.43</b>	<b>370.55</b>	<b>86.88</b>	<b>23.45</b>
Distribution & Administrative expenses	108.30	109.95	(1.66)	(1.51)	322.55	294.55	28.00	9.51
Finance costs	4.37	0.86	3.51	408.43	8.90	1.58	7.33	464.61
Share of loss from investments in associate	0.02	0.19	(0.17)	(91.35)	0.94	0.19	0.75	394.29
<b>Profit before income tax</b>	<b>41.87</b>	<b>14.70</b>	<b>27.17</b>	<b>184.89</b>	<b>125.04</b>	<b>74.24</b>	<b>50.80</b>	<b>68.44</b>
Income tax expenses	8.07	2.71	5.36	197.58	24.57	14.58	9.99	68.55
<b>Net profit (Equity holders of the Company)</b>	<b>34.46</b>	<b>10.84</b>	<b>23.62</b>	<b>217.81</b>	<b>101.96</b>	<b>59.74</b>	<b>42.22</b>	<b>70.67</b>
<b>Net Profit Margin (%)</b>	<b>4.29%</b>	<b>1.27%</b>			<b>4.12%</b>	<b>2.75%</b>		
<b>Earnings per share (Baht)</b>	<b>0.06</b>	<b>0.02</b>	<b>0.04</b>	<b>200.00</b>	<b>0.19</b>	<b>0.11</b>	<b>0.08</b>	<b>72.72</b>

## Performance Analysis and Discussion

The results for the three-month period ended September 30, 2023, the company and its subsidiaries had total revenues from sales and service of 794.62 million baht, decreased of 58.63 million baht or 6.87%, with a net profit of 34.46 million baht, increased of 23.62 million baht or by 217.81%, net profit margin increased from 1.27% to 4.29%, when compared to the same period of last year. The decrease in revenues is considered normal business practice as it is a large project and has no significant impact from fluctuations in product costs and various expenses compared to the cost estimates made. As a result, net profit increased from the same period last year.

The results for the nine-month period ended September 30, 2023, the company and its subsidiaries had total revenues from sales and service of 2,453.70 million baht, an increase of 300.29 million baht or by 13.94%, with a net profit of 101.96 million baht, increased of 42.22 million baht or by 70.67%. The net profit margin increased from 2.75% to 4.12%, 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 September 30, 2023 and 2022, amounting to 794.62 million baht and 853.25 million baht respectively, decreased by 58.63 million baht or by 6.87%, when compared to the same period of last year. The mainly change was to manufacturer and distributor by company group, which increased by 46.24 million baht, supplied and distributed products group increased by 6.15 million baht, and income from contract project services decreased by 111.02 million baht compared to the same period of the previous year.

**Costs of sales and service**

Cost of sale and service for the three-month period ended September 30, 2023, and 2022, amounting to 647.75 million baht and 731.23 million baht respectively, decreased 83.49 million baht or by 11.42%. It is according to the has increased the contract project work. The gross profit margin increased from 14.30 percent to 18.48 percent, an increase compared to the same period of the previous year.

**Selling Distribution & Administrative expenses**

Selling Distribution and Administrative expenses for the three-month period ended September 30, 2023, and 2022, amounting to 108.30 million baht and 109.95 million baht respectively, decreased by 1.66 million baht, which is similar to the same period last year.

**Statements of Financial Position**

(Unit: Million Baht)

Consolidated Financial Statement	As at Sep 30, 2023	As at Dec 31, 2022	Change	
			Increased / (Decreased)	
			Amount	%
Current assets	1,989.71	2,094.95	(105.24)	(5.02)
Non – current assets	998.02	825.68	172.34	20.87
<b>Total assets</b>	<b>2,987.73</b>	<b>2,920.63</b>	<b>67.10</b>	<b>2.30</b>
Liabilities	1,464.13	1,336.89	127.25	9.52
Shareholders' equity	1,523.60	1,583.74	(60.15)	(3.80)
<b>Total Liabilities and shareholders' equity</b>	<b>2,987.73</b>	<b>2,920.63</b>	<b>67.10</b>	<b>2.30</b>



### **Analysis of financial position**

#### **Assets**

As of September 30, 2023, the total assets amounting to 2,987.73 million baht, increased from the year ended December 31, 2022, by 67.10 million baht. or 2.30%. The significant changes, are as follows;

Trade receivables and other current receivables decreased by 88.57 million baht, by debt repayment from debtors that were due during the period. Deposits for purchasing machinery and production royalties increased by 62.88 million baht, from investment in a subsidiary (APS), which is a new business of the group of companies. Net fixed assets, land, buildings, and equipment increased by 50.47 million baht, increasing from the purchase of machinery and construction of factory buildings by 78.54 million baht and depreciation and amortization of assets during the period by 28.07 million baht.

#### **Liabilities**

As of September 30, 2023, the total liabilities amounting to 1,464.13 million baht, increased from the year ended December 31, 2022, by 127.25 million baht. or 9.52%. The significant changes are as follows;

Bank overdrafts and short-term borrowings increased by 243.52 million baht, by investing the money for investment in the company and its subsidiaries. Trade and other current payables decreased by 145.51 million baht, from the payment of debts that were due during the period. Current contract liabilities, increased by 32.60 million baht, due to the company, There is a deposit received in advance for goods and services for new projects that increased from the previous period. The company's debt-to-equity ratio slightly increased from 0.83 times to 0.94 times.

#### **Shareholders' Equity**

As of September 30, 2023, Shareholders' Equity in the amount of 1,523.60 million baht, decreased by 60.15 million baht, or 3.80%. Which during the period, there were operating profits of 100.47 million baht. The Company sold a share of the joint venture's profit of 3.00 million baht, a dividend payment of 97.49 million baht, and treasury shares of 59.87 million baht.

For your information.

Yours sincerely,

Mr. Phaiboon Ungkanakornkul

Managing Director