



8 November 2023

To Director and Manager

The Stock Exchange of Thailand

Subject Management Discussion and Analysis for the period ended September 30, 2023

President Automobile Industries Public Company Limited's operating results for 9-month period ending 30 September 2023 and financial statement as at 30 September 2023 are follows:

Operating results

Income Statement	For the 9-month period ended					
	30 September 2023		30 September 2022		Change Increase (decrease)	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
<u>Revenues</u>						
Sales	765.75	95.13	656.56	95.45	109.19	16.63
Gain on exchange	19.63	2.44	17.29	2.51	2.34	13.53
Other Income	19.53	2.43	14.00	2.04	5.53	39.50
Total revenues	804.91	100.00	687.85	100.00	117.06	17.02
<u>Expense</u>						
Cost of sales	662.29	82.28	547.46	79.59	114.83	20.98
Selling and distribution expense	20.01	2.49	18.21	2.65	1.80	9.88
Administrative expense	37.89	4.71	31.93	4.64	5.96	18.67
Total Expense	720.19	89.47	597.60	86.88	122.59	20.51
Operation Profit	84.72	10.53	90.25	13.12	(5.53)	(6.13)
Financial Cost	10.62	1.32	4.79	0.65	5.83	121.71
Profit before income tax expense	74.10	9.21	85.46	12.47	(11.36)	(13.29)
Income Tax expense	15.12	1.88	4.98	0.62	10.14	203.61
Profit for the period	58.98	7.33	80.48	11.85	(21.50)	(26.71)

Sale income

Sale income for 9-month period ending 30 September 2023 is 765.75 million Baht, increase by 109.19 million Baht, or increase 16.63% as compared to the same period of the last year. The company has increased the number of staff to increase production capacity to support the increase in demand from oversea customer which results in the increase sale income.



Gain on exchange

Gain on exchange for 9-month period ending 30 September 2023 is 19.63 million Baht, increase by 2.34 million Baht, or increase 13.53% as compared to the same period of the last year. This is a result of the Thai Baht currency depreciation as well as increased in export sales.

Other income

Other income for 9-month period ending 30 September 2023 is 19.53 million Baht, increase by 5.53 million Baht, or increase 39.50% as compare to the same period of the last year. This is mainly due to increase in sale of scrap and gain on revaluation of financial instrument.

Cost of sales

Cost of sale for the 9-month period ending 30 September 2023 is 662.29 million Baht, increase by 114.83 million Baht, or increase 20.98% as compared to the same period of the last year. Cost of sale increase is in line with the increase in sales as well as labor and electricity costs.

For the 9-month period ending 30 September 2023, the company has gross profit of 103.46 million Baht, or gross profit margin 13.51% which in a decrease of 5.64 million Baht (or 5.17%) as compared to the gross profit for period ending 30 September 2022 of 16.62%. The decrease in gross profit is due to the minimum wage and electricity costs increase.

Selling and distribution expense

Selling and distribution expense for the 9-month ending 30 September 2023 is 20.01 million Baht, increase by 1.80 million Baht, or 9.88% as compared to the same period of the last year. This is due to the increase in transport expense.

Administrative expense

Administrative expense for 9-month period ending 30 September 2023 is 37.89 million Baht, increase by 5.96 million Baht, or 18.67% as compared to the same period of the last year. This is due to recognition of loss from financial derivatives, allowance for doubtful debts, expenses related to the share capital increase and employee compensation fund totaled to approximately 4.69 million Baht.

Financial cost

Financial cost for the 9-month period ending 30 September 2023 is 10.62 million Baht, increase by 5.83 million Baht, or 121.71% as compared to the same period of the last year. This is due to the short-term and long-term loans for working capital as well as increase in interest rate by the government, causing the financial cost to increase.



Income tax expense

Income tax expense for 9-month period ending 30 September 2023 is 15.12 million Baht, increase by 10.14 million Baht, or 203.61% as compared to the same period of the last year. This is because in the previous year, the Company received a BOI incentive for corporate income tax reduction resulting in an increased this year as compared to last year.

Net Profit

Net profit for 9-month period ending 30 September 2023 is 58.98 million Baht, decrease by 21.50 million Baht, or 26.71% as compare to the same period of the last year. This is mainly from the decrease in gross profit and increase administrative expense and financial cost.

Statemen of Financial Position

Financial Position	As at					
	30 September 2023		30 September 2022		Change Increase (decrease)	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Total Asset	1,393.91	100.00	1,414.58	100.00	(20.67)	(1.46)
Total Liabilities	401.13	28.78	480.77	33.99	(79.64)	(16.57)
Total shareholder's equity	992.78	71.22	933.81	66.01	58.97	6.31

Asset

As of 30 September 2023, the Company has total asset 1,393.91 million Baht, decrease 20.67 million Baht, or 1.46% from 31 December 2022. The reason for decrease in total assets was due to the reduction in raw material inventory.

Liabilities

As of 30 September 2023, the Company has total liabilities 401.13 million Baht, decrease by 79.64 million Baht, or 16.57% from 31 December 2022. This is mainly from the repayment of short-term and long-term loans to financial institutions during the period.



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Shareholder's equity

As of 30 September 2023, the Company has total equity 992.78 million Baht, increase by 58.97 million Baht, or 6.31% from 31 December 2022. This increase is from the Net Profit increase in Quarter 3, 2023.

Please be informed accordingly

Sincerely yours,

Mr. Somchai Lertkajornkitti
Chief Executive Officer