



November 13, 2023

Subject Management Discussion and Analysis for the 9-month period ending on September 30, 2023

 To Director and Manager  
 Stock Exchange of Thailand

Window Asia Public Company Limited (“the Company”) Board of Directors Meeting No.8/2023 held on 13 November 2023 passed a resolution to certify the financial statement and the performance for 9-month period ended 30 September 2023 which was reviewed by the auditor.

The Company's would like to clarify the operating results for the 9-month period ended 30 September 2023 as follows:

Unit : THB Million

Profit and Loss	3-month 2022 (Q3)		3-month 2023 (Q3)		Change	
	Amount	%	Amount	%	Amount	%
Revenue from sales	186.17	100.0	211.40	100.0	25.23	13.6
Cost of goods sold	(141.24)	(75.9)	(144.25)	(68.2)	(3.01)	2.1
<b>Gross profits</b>	<b>44.93</b>	<b>24.1</b>	<b>67.15</b>	<b>31.8</b>	<b>22.22</b>	<b>49.5</b>
Other revenue	3.06	1.6	3.60	1.7	0.54	17.6
<b>Profit before expenses</b>	<b>47.99</b>	<b>25.7</b>	<b>70.75</b>	<b>33.5</b>	<b>22.76</b>	<b>47.4</b>
Selling expenses	(27.96)	(15.0)	(30.83)	(14.6)	(2.87)	10.3
Administrative expenses	(12.40)	(6.6)	(16.42)	(7.8)	(4.02)	32.4
Other profit (loss)	1.79	1.0	1.02	0.5	(0.77)	(43.0)
Financial expenses	(2.39)	(1.3)	(3.84)	(1.8)	(1.45)	60.7
Share of losses from investment in JV	(3.65)	(2.0)	(4.87)	(2.3)	(1.22)	33.4
<b>Total expense</b>	<b>(44.61)</b>	<b>(23.9)</b>	<b>(54.94)</b>	<b>(26.0)</b>	<b>(10.33)</b>	<b>23.2</b>
<b>Profit before income tax</b>	<b>3.38</b>	<b>1.8</b>	<b>15.81</b>	<b>7.5</b>	<b>12.43</b>	<b>367.8</b>
Income tax	1.23	0.7	(3.27)	(1.6)	(4.50)	(365.9)
<b>Net profits</b>	<b>4.61</b>	<b>2.50</b>	<b>12.54</b>	<b>5.9</b>	<b>7.93</b>	<b>172.0</b>



Unit : THB Million

Profit and Loss	9-month 2022		9-month 2023		Change	
	Amount	%	Amount	%	Amount	%
Revenue from sales	710.99	100.0	730.90	100.0	19.91	2.8
Cost of goods sold	(519.77)	73.1	(506.89)	69.4	12.88	(2.5)
<b>Gross profits</b>	<b>191.22</b>	<b>26.9</b>	<b>224.01</b>	<b>30.6</b>	<b>32.79</b>	<b>17.1</b>
Other revenue	14.25	2.0	10.99	1.5	(3.26)	(22.9)
<b>Profit before expenses</b>	<b>205.47</b>	<b>28.9</b>	<b>235.00</b>	<b>32.1</b>	<b>29.53</b>	<b>14.4</b>
Selling expenses	(81.77)	11.5	(97.96)	13.4	(16.19)	19.8
Administrative expenses	(37.79)	5.3	(44.50)	6.1	(6.71)	17.8
Other profit (loss)	6.41	0.9	1.11	0.2	(5.30)	(82.7)
Financial expenses	(7.78)	1.1	(10.20)	1.4	(2.42)	31.1
Share of losses from investment in JV	(5.41)	0.8	(14.43)	2.0	(9.02)	166.7
<b>Total expense</b>	<b>(126.34)</b>	<b>17.8</b>	<b>(165.98)</b>	<b>22.7</b>	<b>(39.64)</b>	<b>31.4</b>
<b>Profit before income tax</b>	<b>79.13</b>	<b>11.1</b>	<b>69.02</b>	<b>9.4</b>	<b>(10.11)</b>	<b>(12.8)</b>
Income tax	(9.98)	1.4	(14.42)	2.0	(4.44)	(44.5)
<b>Net profits</b>	<b>69.15</b>	<b>9.7</b>	<b>54.60</b>	<b>7.4</b>	<b>(14.55)</b>	<b>(21.0)</b>

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

For the 3-month period ended 30 September 2022 and 2023, the total revenue of the Company amounted to THB 189.23 million and THB 215.00 million, respectively. This includes revenue from sales and other income. In the third quarter of 2022 and 2023, the revenue from sales of the company was THB 186.17 million and THB 211.40 million, respectively. The main factors contributing to the increase in revenue were the new products. For other income of the Company during that period, it amounted to THB 3.06 million and THB 3.60 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 44.93 million and THB 67.15 million, respectively, or a gross profit margin of 24.1% and 31.8%, respectively. The increase in gross profit was due to enhancing the efficiency of inventory management, and the net profit amounted to THB 4.16 million and THB 12.54 million, respectively, or a net profit margin of 2.4% and 5.8%, respectively. The increase in net profit was due to an increase in revenue were the new products, which led to increase in sales volume.

For the first 9-month period ended 30 September 2022 and 2023, the total revenue of the Company amounted to THB 725.24 million and THB 741.89 million, respectively. This includes revenue from sales and other income. In the third quarter of 2022 and 2023, the revenue from sales of the company was THB 710.99 million and THB 730.90 million, respectively. The main factors contributing to the increase in revenue were the



new products. For other income of the Company during that period, it amounted to THB 14.25 million and THB 10.99 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 191.22 million and THB 224.01 million, respectively, or a gross profit margin of 26.9% and 30.6%, 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 69.15 million and THB 54.60 million, respectively, or a net profit margin of 9.5 % and 7.4%, 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. of THB 14.43 million according to shareholding proportion.

#### Revenue from sales

For the 3-month period of 2023, revenue from sales increased by THB 25.23 million, or a decrease in a rate of 13.6% compared to the same period in the previous years. This increase in revenue were the new products, which led to increase in sales volume.

For the first 9-month period of 2023, revenue from sales increased by THB 19.91 million, or an increase in a rate of 2.8% compared to the same period in the previous years. This increase in revenue were the new products, which led to increase in sales volume.

#### Other revenue

For the 3-month period ended 30 September 2022 and 2023, revenue from sales of aluminum and UPVC scraps amounted to THB 2.54 million and THB 2.50 million, respectively, which was a similar value.

For the first 9-month period of 2023, revenue from sales of aluminum and UPVC scraps amounted to THB 6.95 million, which decreased by THB 4.24 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 3-month period of 2023, the Company's gross profit increased by THB 22.22 million, or an increase in a rate of 49.5% compared to the same period of the previous year due to enhancing the efficiency of inventory management. The gross profit margin for the 3-months of 2023 is 31.8%



For the first 9-month period of 2023, the Company's gross profit increased by THB 32.79 million, or an increase in a rate of 17.1% 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 9 months of 2023 is 30.6%

#### Selling expenses

For the 3-month period of 2023, the selling expenses increased by THB 2.87 million, or an increase in a rate of 10.3% compared to the same period of the previous year. This increase is attributed to higher expenses related to the Company's public relations activities and Product Consultant's (PC) training

For the first 9-month period of 2023, the selling expenses increased by THB 16.19 million, or an increase in a rate of 19.8% 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 3-month period of 2023, administrative expenses increased by THB 4.02 million, or an increase in a rate of 32.4% compared to the same period of the previous year. This increase is a result of higher depreciation and amortization expenses from the new office building and consultant fee.

For the first 9-month period of 2023, administrative expenses increased by THB 6.71 million, or an increase in a rate of 17.8% compared to the same period of the previous year. This increase is a result of higher depreciation and amortization expenses from the new office building.

#### Net profits

For the 3-month period of 2023, the Company has net profit increased by THB 7.93 million, or a increase in a rate of 172.0% compared to the same period of the previous year. This increase in net profit is a result of the new products, which led to increase in sales volume.

For the first 9-month period of 2023, the Company has net profit decreased by THB 14.55 million, or a decrease in a rate of 21.0% 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 and amortization expenses. Additionally, the Company recognized the share of losses from the investment in Keha Sukpracha Public Company Limited, amounting to THB 14.43 million.



Unit : THB Million

Balance sheet	December 31, 2022		June 30, 2023		Chage	
	Amount	%	Amount	%	Amount	%
Total Assets	1,061.49	100.0	1,177.19	100.0	115.70	10.9
Total Liabilities	564.07	53.1	773.24	65.7	209.17	37.1
Total equity	497.42	46.9	403.95	34.3	(93.47)	(18.8)

As of September 30, 2023, the Company's total assets amounted to THB 1,117.19 million, an increase of THB 115.70 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 773.24 million, an increase of THB 209.17 million. 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 403.95 million, which was a decrease of THB 93.47 million due to the Company's net profit for the 9-month period ended 30 September 2023 was THB 54.60 million and the Company paid dividends to shareholders of THB 148.07 million in the first 9-month period of 2023.

Please be informed accordingly.

Yours sincerely,

-Patinun Tuntivasin-

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 (Miss Patinun Tuntivasin)

Chief Financial Officer

Window Asia Public Company Limited