



# **THAI MITSUWA PUBLIC COMPANY LIMITED.**

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Subject : Operating results for the third quarter and for the nine-month period for the year 2023

To : President of The Stock Exchange of Thailand

Thai Mitsuwa Public Company Limited (TMW) summarizes the operation results for the three-month period from 1 October 2023 to 31 December 2023 and for the nine-month period from 1 April 2023 – 31 December 2023 compared with the same period of 2022 as follows :

**The operating results for the period of three months (Q3: October - December)**

(Unit : Thousand Baht)

<b>Income Statements</b>	<b>2023</b>		<b>2022</b>		<b>Change</b>
Revenue from sales : plastic product	398,792	100.00%	434,606	100.00%	-8.24%
Revenue from sales : magnesium product	596,686	100.00%	547,562	100.00%	8.97%
Revenue from sales : mold	17,665	100.00%	15,865	100.00%	11.35%
Total revenue from sales	1,013,143	100.00%	998,033	100.00%	1.51%
Cost of sales :					
plastic product	339,396	85.11%	392,563	90.33%	-13.54%
Cost of sales : magnesium product	409,267	68.59%	417,413	76.23%	-1.95%
Cost of sales : mold	10,168	57.56%	11,263	70.99%	-9.72%
Total cost of sales	758,831	74.90%	821,239	82.29%	-7.60%
Gross profit : plastic product	59,396	14.89%	42,043	9.67%	41.27%
Gross profit : magnesium product	187,419	31.41%	130,149	23.77%	44.00%
Gross profit : mold	7,497	42.44%	4,602	29.01%	62.91%
Total gross profit	254,312	25.10%	176,794	17.71%	43.85%
Other income	3,461	0.34%	4,871	0.49%	-28.95%
Selling expenses	20,364	2.01%	28,828	2.89%	-29.36%

Administrative expenses	75,482	7.45%	69,647	6.98%	8.38%
Finance cost	85	0.01%	121	0.01%	-29.75%
Income tax expenses	13,762	1.36%	6,424	0.64%	114.23%
Net profit	148,080	14.62%	76,645	7.68%	93.20%

**The operating results for the period of nine months ( April - December)**

(Unit : Thousand Baht)

Income Statements	2023		2022		Change
Revenue from sales : plastic product	1,258,435	100.00%	1,283,120	100.00%	-1.92%
Revenue from sales : magnesium product	1,712,406	100.00%	1,422,903	100.00%	20.35%
Revenue from sales : mold	61,797	100.00%	71,886	100.00%	-14.03%
Total revenue from sales	3,032,638	100.00%	2,777,909	100.00%	9.17%
Cost of sales :					
plastic product	1,086,564	86.34%	1,155,414	90.05%	-5.96%
Cost of sales : magnesium product	1,233,224	72.02%	1,123,053	78.93%	9.81%
Cost of sales : mold	38,745	62.70%	50,753	70.60%	-23.66%
Total cost of sales	2,358,533	77.77%	2,329,220	83.85%	1.26%
Gross profit : plastic product	171,871	13.66%	127,706	9.95%	34.58%
Gross profit : magnesium product	479,181	27.98%	299,850	21.07%	59.81%
Gross profit : mold	23,053	37.30%	21,133	29.40%	9.09%
Total gross profit	674,105	22.23%	448,689	16.15%	50.24%
Other income	20,704	0.68%	8,488	0.31%	143.92%
Selling expenses	63,319	2.09%	79,502	2.86%	-20.36%
Administrative expenses	192,802	6.36%	182,357	6.56%	5.73%
Finance cost	264	0.01%	609	0.02%	-56.65%
Income tax expenses	39,748	1.31%	21,843	0.79%	81.97%
Net profit	398,676	13.15%	172,866	6.22%	130.63%

The operating results for the period of Quarter 1, Quarter 2 and Quarter3 / 2023 from April to December 2023

(Unit : Thousand Baht)

Income Statements	Quarter 3		Quarter 2		Quarter 1		Q3/Q2	Q2/Q1
Revenue from sales :								
plastic product	398,792	100.00%	437,826	100.00%	421,817	100.00%	-8.92%	3.80%
Revenue from sales :								
magnesium product	596,686	100.00%	605,699	100.00%	510,021	100.00%	-1.49%	18.76%
Revenue from sales :								
mold	17,665	100.00%	17,996	100.00%	26,136	100.00%	-1.84%	31.14%
Total revenue from sales	1,013,143	100.00%	1,061,521	100.00%	957,974	100.00%	-4.56%	10.81%
Cost of sales :								
plastic product	339,396	85.11%	368,894	84.26%	378,273	89.68%	-8.00%	-2.48%
Cost of sales :								
magnesium product	409,267	68.59%	440,503	72.73%	383,454	75.18%	-7.09%	14.88%
Cost of sales : mold	10,168	57.56%	11,135	61.87%	17,442	66.74%	-8.68%	36.16%
Total cost of sales	758,831	74.90%	820,532	77.30%	779,169	81.34%	-7.52%	5.31%
Gross profit : plastic product	59,396	14.89%	68,932	15.74%	43,544	10.32%	-13.83%	58.30%
Gross profit : magnesium product	187,419	31.41%	165,196	27.27%	126,567	24.82%	13.45%	30.52%
Gross profit : mold	7,497	42.44%	6,861	38.13%	8,694	33.26%	9.27%	21.08%
Total gross profit	254,312	25.10%	240,989	22.70%	178,805	18.66%	5.53%	34.78%
Other income	3,461	0.34%	3,235	0.30%	20,788	2.17%	6.99%	84.44%
Selling expenses	20,364	2.01%	22,931	2.16%	20,024	2.09%	-11.19%	14.52%
Administrative expenses	75,482	7.45%	64,737	6.10%	59,364	6.20%	16.60%	9.05%
Finance cost	85	0.01%	88	0.01%	91	0.01%	-3.41%	-3.30%
Income tax expenses	13,762	1.36%	13,247	1.25%	12,739	1.33%	3.89%	3.99%
Net profit	148,080	14.62%	143,221	13.49%	107,375	11.21%	3.39%	33.38%

**For the period from 1 April 2023 - 31 December 2023 compared to the same period of the previous year.**

**Revenue from sales** : 3,032.64 million baht, an increase of 9.17%.

The revenue from sales of plastic products decreased by 1.92%, the revenue from sales of magnesium products increased by 20.35%, and the revenue from sales increased both domestically and from exports, separated by factory location as follows:

1. Revenue from sales of plastic products
  - Pathum Thani Plastic Factory
    - Domestic sales increased by 2.24%.
    - Export sales increased by 13.06%.
  - Chokchai Plastic Factory
    - Domestic sales decreased by 20.27%.
    - Export sales decreased by 48.92%.
2. Revenue from sales of magnesium products
  - Domestic sales increased by 30.5%.
  - Export sales increased by 0.10%.
3. Revenue from mold production and sales decreased by 14.03%, separated by factory location as follows:
  - Pathum Thani Plastic Factory decreased by 31.99%.
  - Chokchai Plastic Factory increased by 12.80%.
  - Magnesium factory increased 129.27%.

**Cost of sales** : 2,358.53 million baht, an increase of 1.26%, considering direct labor and production expenses. The important items whose proportion to cost of sales has increased compared to the same period last year are as follows:

1. Salary and other monetary benefits of employees totaled 517.83 million baht, an increase of 7.26%. The proportion to sales increased from 20.73% to 21.96%.
  - Pathum Thani Plastic Factory increased by 8.43%
  - Chokchai Plastic Factory decreased by 2.42%
  - Magnesium factory increased by 8.02%.

Salaries and other monetary benefits of permanent employees and subcontract employees increased by 7.34%, and salaries and other monetary benefits of management level increased by 4.04%.

The proportion comparing only the salary plus overtime pay of subcontract employees to permanent employees is as follows.

- Pathum Thani Plastic Factory increased from 32.25% to 36.21%
  - Chokchai Plastic Factory increased from 26.40% to 30.72%.
  - Magnesium factory decreased from 174.94% to 171.41% (Magnesium factory has more subcontract employees than permanent employees).
2. Maintenance costs 49.36 million baht, a decrease of 0.23 million baht, accounting for 0.47%. The proportion to cost of sales decreased from 2.13% to 2.09%, separated by factory location as follows:
- Pathum Thani Plastic Factory decreased by 0.84 million baht, accounting for 6.21%.
  - Chokchai Plastic Factory decreased by 2.86 million baht, accounting for 40.44%.
  - Magnesium factory increased by 2.56 million baht, accounting for 8.19%.
3. Energy and fuel costs decreased by 0.55 million baht, accounting for 0.38%. The proportion to cost of sales decreased from 6.23% to 6.21%, separated by factory location as follows.
- Pathum Thani Plastic Factory decreased by 3.13 million baht, accounting for 3.61%.
  - Chokchai Plastic Factory decreased by 0.11 million baht, accounting for 0.90%.
  - Magnesium factory increased by 2.69 million baht, accounting for 5.54%.
4. Depreciation and amortization increased by 0.22 million baht, 0.13%. The proportion to cost of sales decreased from 7.40% to 7.31%, separated by factory location as follows.
- Pathum Thani Plastic Factory decreased by 4.99 million baht, accounting for 5.17%.
  - Chokchai Plastic Factory decreased by 1.48 million baht, accounting for 19.05%.
  - Magnesium factory increased by 6.70 million baht, accounting for 9.88%.

**Selling expenses** were 63.32 million baht, a decrease of 20.36%. Important items were as follows:

1. Wages and salaries and monetary rewards proportion to sales expenses is 26.98%, separated by factory location as follows:
- Pathum Thani Plastic Factory increased by 0.73 million baht, accounting for 8.31%.
  - Chokchai Plastic Factory decreased by 0.24 million baht, accounting for 4.58%.
  - Magnesium factory increased by 0.06 million baht, accounting for 2.43%.

2. Expenses related to transporting goods to customers include: Shipping cost The cost of truck fuel and other transportation costs decreased by 2.23 million baht, a decrease of 9.26%, but the proportion to selling expenses increased from 30.29% to 34.51%, separated by factory location as follows.

- Pathum Thani Plastic Factory decreased by 8.75 million baht, accounting for 8.75%.

- Chokchai Plastic Factory decreased by 0.47 million baht, accounting for 12.59%.

- Magnesium factory decreased by 0.61 million baht, accounting for 8.48%.

3. Import and export shipping operating expenses decreased by 38.85%. The proportion to sales expenses decreased from 34.98% to 36.07%, separated by factory location as follows :

- Pathum Thani Plastic Factory decreased by 0.25 million baht, accounting for 47.41%.

- Chokchai Plastic Factory increased by 0.082 million baht, accounting for 113.94%.

- Magnesium factory decreased by 14.34 million baht, accounting for 39.02%.

**Administrative expenses** were 192.80 million baht, an increase of 5.73% . Important items were as follows:

1. Wages and salaries and monetary rewards Proportion to administrative expenses 49.55% separated according to the factory location as follows :

- Pathum Thani Plastic Factory increased by 4.39 million baht, accounting for 7.03%.

- Chokchai Plastic Factory decreased by 2.54 million baht, accounting for 21.07%.

- Magnesium factory increased by 3.46 million baht, accounting for 22.03%.

2. Expenses related to employee travel and transportation. Proportion to administrative expenses 20.02% includes the cost of gas, expressway fees, and bus transportation for employees, an increase of 0.75 million baht, calculated is 1.98%, separated by factory location as follows:

- Pathum Thani Plastic Factory increased by 0.75 million baht, accounting for 17.26%.

- Chokchai Plastic Factory decreased by 0.23 million baht, representing a decrease of 14.96%.

- Magnesium factory decreased by 0.24 million baht, accounting for 0.75%.

3. Maintenance costs increased 21.46%, proportion to administrative expenses 5.29%, increased from 4.61% to 5.29%.

4. Depreciation and amortization increased by 0.22 million baht, 0.13%. The proportion to cost of sales decreased from 7.40% to 7.31%, separated by factory location as follows :

- Pathum Thani Plastic Factory decreased by 1.95 million baht, representing a decrease of 19.82%.

- Chokchai Plastic Factory decreased by 0.70 million baht, accounting for 43.51%.

- Magnesium factory increased by 0.33 million baht, accounting for 5.34%.

**Other income** was 20.70 million baht, an increase of 143.92%, consisting of miscellaneous income from scrap sales of 7.28 million baht and profit/loss from exchange rates of 13.41 million baht.

#### Financial ratio

<u>Liquidity ratios</u>	As of 31/12/2023	As of 30/09/2023	As of 30/06/2023
Liquidity ratios (times)	3.03	2.65	2.51
Quick ratios (times)	2.02	1.85	1.76
<u>Profitability ratios</u>			
Gross profit margin (%)	33.16%	20.79%	18.66%
Operating profit margin (%)	14.47%	13.70%	12.55%
Cash-to-profit ratio (%)	101.99%	82.01%	86.28%
Net profit margin (%)	13.15%	12.41%	11.21%
<u>Financial policy ratios</u>			
Debt to equity ratio (times)	0.23	0.27	0.28

The comparative analysis of financial ratios as of 31 December 2023 with as of 30 September 2023 with as of 30 June 2023 as follows :

The liquidity increased from 2.51 times to 3.03 times and the quick ratio increased from 1.76 times to 2.02 times. The Company's liquidity trend has progressively improved.

The gross profit margin increased from 18.66% to 33.16%, the operating margin increased from 12.55% to 14.47%, the cash-to-profitability ratio increased from 86.28% to 101.99%, and the net profit margin increased from 11.21% to 13.15%. The trend of being able to earn profits has improved sequentially.

The debt-to-equity ratio decreased from 0.28 times to 0.23 times, a trend of gradually improving.

From the information mentioned above for the operating results from April 1, 2023 to December 31, 2023, compared to the same period of the previous year. The company's total revenue increased by 266.95 million baht, accounting for 9.58%. Total expenses increased by 41.14 million baht, accounting for 1.57%. Net profits increased by 224.81 million baht, accounting for 130.63%, together with the analysis and evaluation of financial ratios as of date. December 31, 2023, compared to the previous two quarters. The preliminary conclusion is that the operating results for the nine-month period from 1 April 2023 to 31 December 2023 and the financial position as of 31 December 2023 of the Company are satisfactory.

The management team views that the important items that are factors in operating the business as mentioned above still need to be closely monitored and managed.

Please be informed accordingly.

(Mr.Tetsuji Takeguchi)  
Account and Finance Manager