

TYCN 003/67

27 February 2024

Subject: Submission of financial statements and clarification of operating for year 2023.

To: President of the Stock Exchange of Thailand

Tycoons Worldwide Group (Thailand) Public Company Limited would like to submit herewith the audited report of the independent auditor and our financial statements for year 2023. The Company has net profit 136 MB and net profit 162 MB till the year end of 2022 respectively, which decreased net profit by 26 MB or 15.99% because of the following reasons:

1. Total revenues decreased 3,778 MB or 40.11%.
 - Sales decreased 3,790 MB or 40.47% comparing with 2022 mainly due to the market is facing economic downturn risks, resulting in a decreasing in the sales of steel products volume.
 - Gains on exchange rates increased 48 MB compared with 2022.
 - Other income decreased 37 MB or 64.82 % comparing with 2022 mainly due the other non-operating income decreased by 10 MB and income from disposal of fixed assets decreased by 27 MB.

2. Total expenses decreased 3,591 MB or 39.27%.
 - Cost of sales decreased 3,542 MB or 40.46% compared with 2022 mainly due to 2023 sales volumes decreased.
 - Selling and administrative expenses decreased 67 MB or 16.65% compared with 2022, mainly due to the reduction in transportation and export-related expenses due to the decrease in sales volume.
 - Reversal allowance for expected credit losses decreased 9 MB or 95.40% compared with 2022 mainly due to the decreased in overdue accounts receivable.
 - Losses from raw material purchase contracts increased 7 MB or 183.53% compared with 2022, mainly due to the inventory has decreased compared with the previous period and the decline of international market steel price also has eased compared with the previous period.
 - Losses from impairment of non-financial assets increased 24 MB or 154% compared with 2022, mainly due to the impairment loss of fixed assets value.
 - Losses on exchange decreased 9 MB or 100% compared with 2022 mainly due to the appreciation of the Thai baht, no evaluation loss occurred.

3. Share of profit (loss) from investment in associate increased 141 MB or 14411.21% compared with 2022 mainly due to during the year 2023, the Company has recognized its share of profit or loss and share of other comprehensive income from investment in associate Fastbolt International Pte. Ltd. 139MB.
4. Finance cost decreased 2 MB or 3.41% compared with 2022, mainly due to USA FED will continue to raise interest rates in 2023, resulting in an increase in interest costs.
5. Income tax expenses decreased 17 million or 35.01% compared with 2022, mainly due to the profits gains in 2023 decreased, so the estimated income tax payable is relatively decreased.
6. Gross profit margin of 2023 was 6.50% as for 2022 was 6.51%. The main reason for the decrease was the decrease in sales volume in 2023, resulting in production decrease and high unit manufacturing costs, resulting in a decline in gross profit margin.

Please be informed accordingly.

Sincerely Yours,

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(Mr. Natthawat Thanapinyanun)
Director