



No. SAM-001/2024

February 27, 2024

Re : The Management Discussion and Analysis For the Year 2023

The Stock Exchange of Thailand

Samchai Steel Industry Public Company Limited (the “Company”) would like to clarify the reason for the difference in operating results for the year of 2023 ended 31 December 2023 compared to the same period of 2022. the following.

1. The company had sales revenue of 5,885.64 million baht, an increase of 1,279.12 million baht or 27.77% from the previous year due to more customers ordering products from the company. This is because the customers have confidence in the company's reputation, due to the result of the audit from the Revenue Department that did not find any wrongdoing as per the Customs Department's claim.

2. Cost of sales amounted to 5,733.03 million baht, an increase of 1,378.40 million baht or 31.65 percent from the previous year, in line with the increase in sales.

3. As a result of item 2, the company had a gross profit of 139.85 million baht, a decrease of 112.47 million baht or 44.57% from the previous year. The administrative expenses amounted to 117.19 million baht, close to last year. Although sales increased, but with good expense management, expenses were well maintained.

4. Financial costs amounted to 50.30 million baht, an increase of 13.24 million baht from the previous year or 35.73 percent due to rising interest rates.

5. Based on the above information, the Company has a net loss for the Year 2023 in the amount of 92.32 million baht.

Yours sincerely,

(Mr. Varoonchai Leekanchanakorn)  
Managing Director