



บริษัท บางสะพานบาร์มิล จำกัด (มหาชน)
BANGSAPHAN BARMILL PUBLIC COMPANY LIMITED

สำนักงานกรุงเทพฯ : ชั้น 8 อาคารประภาวิทย์ 28/1 ถนนสุรศักดิ์ แขวงสีลม เขตบางรัก กทม. 10500 ทะเบียนเลขที่ บมจ. 0107547000702
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BSBM2024/001

19 February 2024

Subject: Management explanation and analysis for the year ended 31 December 2023
To: President of the Stock Exchange of Thailand

The Company would like to disclose the Financial Statements (audited) for the year ended 31 December 2023 with management explanation as following.

Income Statements Analysis, Comparison of 2023 VS 2022

In 2023, the company reported sales revenue of THB 603 million, a 44% decrease from 2022's THB 1,081 million. This decline was attributed to a 38% decrease in sales volume, from 42,957 tons in 2022 to 26,598 tons in 2023, and a 10% decrease in the average selling price per ton of steel bars, from THB 25,172 in 2022 to THB 22,665 in 2023.

The cost of goods sold in 2023 and 2022 was THB 593 million and THB 1,020 million, respectively, resulting in gross profit margins of 1.6% and 5.7% of sales for 2023 and 2022, respectively. The decrease in gross profit margin was due to a 7% decrease in the average cost of raw materials per ton, from THB 20,922 in 2022 to THB 19,462 in 2023, while the selling price dropped by 10%. Additionally, the company set aside a THB 2.2 million provision for the decrease in the value of inventory, which was included in the cost of goods sold in 2023.

Selling expenses in 2023 and 2022 amounted to THB 9.5 million and THB 13.6 million, respectively, representing 1.6% and 1.3% of sales. The majority of selling expenses were for product transportation costs at a rate of 1-2% of sales. Administrative expenses were THB 24.3 million in 2023 and THB 26.0 million in 2022, primarily consisting of employee-related expenses.

In 2023, the company incurred THB 41.7 million in factory expenses during production halts due to continuous decreases in steel bar prices, avoiding stockpiling finished goods and only producing to meet demand. This led to production halts at certain times. In contrast, in 2022, such expenses amounted to THB 25.0 million.

Other income included THB 8 million from the sale of scrap metal in 2023 and THB 7 million in 2022, with the cost of scrap metal at THB 6.1 million and THB 3.5 million, respectively.

Consequently, the company reported a net loss of THB 48 million in 2023, a decrease from a net profit of THB 1.2 million in 2022.

Analysis of Balance Sheet, for the Year Ended 31 December 2023

Total assets at the end of 2023 were THB 1,947 million, up from THB 1,892 million at the end of 2022. Current assets increased from THB 1,141 million at the end of 2022 to THB 1,202 million at the end of 2023, with cash and cash equivalents increasing by THB 49 million, while trade receivables decreased by THB 91 million.



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Total liabilities at the end of 2023 and 2022 were THB 128 million and THB 25 million, respectively. The increase in liabilities was mainly due to an increase in trade payables of THB 111 million, as the company placed orders for raw materials at the end of 2023 to prepare for production in early 2024.

In 2023, shareholders' equity was THB 1,818 million, down from THB 1,866 million in 2022, due to the net loss incurred in 2023.

Although the company's liquidity ratio at the end of 2023 decreased from 77.1 times to 10.1 times, due to raw material purchases made towards the end of 2023, it still indicates that the company maintains a continuously high level of liquidity, demonstrating the company's very strong liquidity position. The debt-to-equity ratio remained low at 0.07 times at the end of 2023 and 0.01 times at the end of 2022, reflecting the company's reliance on equity financing and the absence of long-term debt.

Yours sincerely,

(Mr. Surakit Thantananont)
Deputy Managing Director