

SMIT001/2024

February 23, 2024

Subject: Clarification of the year 2023 operating results

To: The President
The Stock Exchange of Thailand

Sahamit Machinery Public Company Limited (SMIT) would like to clarify the operating results for the year ended December 31, 2023, which have been audited and approved by the Audit Committee. The overall operating results have shown decreased as compared to the same period of the previous year. The details are as followed:

The operating results for the year ended December 31, 2023, the Company had a profit of Baht 131.67 million, a decrease of Baht 104.02 million or 44.13 percent from the same period of the previous year primarily on account of the following reasons:

1. The revenue from sales and service was Baht 1,617.63 million, decreased by Baht 558.60 million or 25.67 percent compared to the same period of the previous year. The Company's sales dropped in all product sectors due to a reduction in orders placed by the manufacturing sector because of the slowdown in investment due to the economic slowdown caused by inflation and higher interest rates.
2. The gross profit margin increased to 32.22 percent, compared to 30.49 percent in the previous year. This improvement is attributed to the company's effective inventory management and possession of stock acquired at lower historical costs.
3. The company achieved a 4.46% reduction in selling and administrative expenses, bringing them down to 372.36 million baht for the year. This decrease of 17.38 million baht compared to the same period last year reflects the company's effective cost-control measures implemented in response to lower revenue.

Please be informed accordingly.

Sincerely yours,

(Mr. Chaisilp Tamesirichai)
Chairman of the Board