

PERMSIN STEEL WORKS PUBLIC COMPANY LIMITED

4,95-96 Moo 6 Rama 2 Rd., Kokkam Muang – Samutsakorn, Samutsakorn 74000 Thailand

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-Translation-

Date February 22, 2024

Subject: Management Discussion and Analysis for the year 2023 ended 31 December 2023

Attention: Director and Manager of the Stock Exchange of Thailand

Permsin steel works Public Company Limited (PERM) report financial performance for year 2023 show for the company's netloss was Baht 392.29 million baht decreased amount 72.25 million baht or the rate 15.60 % when compare in the same period last year due to

| Operating Result | Year 2023 | Year 2022 | Million baht |
|--------------------------------|-----------|-----------|--------------|
| | | | % Δ |
| Revenue from sale and services | 3,610.09 | 5,440.35 | -33.64 % |
| Total revenue | 3,622.43 | 5,458.77 | -33.64 % |
| Net Profit (loss) | (392.29) | (464.54) | -15.55 % |

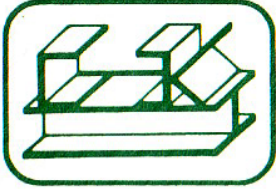
Analysis of the operating performance

Net profit and loss

The company has to show the net loss for year 2023 ended 31 December 2023 amount 392.29million baht decreased by 72.25 million baht or the rate 15.55 % when compare with the same period last year due to the main reasons were as follows :

1. Revenue

Total revenue in year 2023 ended 31 December 2023 was accounted for Baht 3,622.43 million when compare with the same period last year by Baht 5,458.77 million decreased amount 1,836.34 million baht or the rate 33.64 %. In the year 2023 revenue from sale and services were accounted for Baht 3,610.09 million decreasing by Baht 1,830.26 million or the rate 33.64 % when compared to the same period last year and due to decreasing form low in price and quality of product and low in demand



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2. Expenses

2.1 In year 2023 Cost of goods sold and services were accounted for baht 3,525.21 million decreasing by baht 1,931.51 million or the rate 35.40% when compared with the same period last because variable with sale amount decrease and the low economic and the low demand from customer

2.2 In the year 2023 selling expense and administrative expense amount 342.59million baht decrease amount 54.19million baht or the rate13.66% when compare with the same period last year due to the company has management administrative expense efficient

Financial Cost

In year 2023 financial cost total amount 139.53 million baht when compared with the same period last year 80.25 million baht increase amount 59.28 million baht or at a rate 73.86% in year 2023 because of the company has used the long term lone and short tern lone for subserdie company

Assets

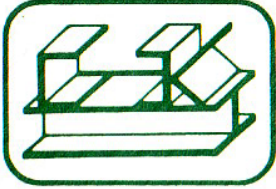
Company and its subsidiary's asset as follows:

| Assets | Million baht | | |
|-------------------------------|---------------------|---------------------|---------------|
| | 31 December 2023 | 31 December 2022 | Δ % |
| Trade Receivables | 88.66 | 143.06 | -38.02 |
| Inventory Balance | 1,675.23 | 1,490.87 | +12.37 |
| Property, Plant and Equipment | 2,218.08 | 2,174.11 | +2.02 |
| Other | 269.85 | 527.24 | -48.82 |
| Total Assets | 4,251.82 | 4,335.28 | -1.93 |

At December 31, 2023 Company's assets were 4,251.82 million baht and decreased 83.46 million baht or the rate 1.93 % when compared to year 2022 the decrease was mainly due to the trade Receivables and other assets

The trade receivables were 88.66 million baht decreased 54.40 million baht or the rate 38.02% because the company has policy for management trade receivables efficient

The property, Plant and equipment amount 2,218.08million baht increase amount 43.97 million baht or the rate 2.02 % because invest in the bulding and the machine



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Liabilities and shareholders' Equity

Liabilities of company and shareholders can be summarized as follows

Million baht

| Liabilities and shareholders' Equity | 31 December 2023 | 31 December 2022 | △ % |
|---|---------------------|---------------------|--------|
| Bank overdraft and short term loans from financial institutions | 2,542.43 | 2,175.93 | +16.84 |
| Trade payable | 310.72 | 297.53 | +4.43 |
| Long Term – Loans | 555.08 | 632.78 | -12.28 |
| Other Liabilities | 77.83 | 71.89 | +8.26 |
| Shareholders 'Equity | 744.41 | 1,114.50 | -33.21 |
| Non-controlling interests of the subsidiaries | 21.34 | 42.65 | -49.95 |
| Total liabilities and shareholder's Equity | 4,251.82 | 4,335.28 | -1.93 |

At December 31, 2023 total liabilities was amount 3,486.06 Million baht increased amount 307.94 million baht or therate 9.69 % due to Bank overdraft and short-term loans from financial institutions was 2,542.43 million bath increases of 366.50 million baht or at the rate 16.81 % due to the company has import the goods

The trade payable at December 31, 2023 was amount 310.72million baht increase amount 13.19 million baht or at the rate 4.43 % caused we increase for purchase the product from domestic for trade payable

Shareholders' Equity

Shareholders equity at December 31, 2023 were 744.41 million baht decrease of 370.09 million baht or at the rate 33.21% when compared to year 2022 from the follows reasons

Decrease from the company has decrease from performance in year 2023 has net loss 392.29 milloon bht then change in Shareholders' equity from year 2022

And thus, the above are main reasons for the lower operation reserved for Year,2023 when compared to the same period in year 2022 more than 20%.

Please be informed accordingly

Sincerely Yours

(Mr. Chukiat Yongvongphaibul)

Director