



Arrow Syndicate Public Company Limited

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(Translation)

February 22, 2024

Subject: Clarification for operation performance year ended December 31, 2023

Attention: The President of
The Stock Exchange of Thailand

Arrow Syndicate Public Company Limited ("Company") would like to report its financial results for year ended on December 31, 2023, with a profit of Baht 101.64 million increased of Baht 9.01 million or 9.73% compared to the same period of the previous year which reported the profit was Baht 92.63 million due to the following details.

1. The company had a sales and services revenue decrease of Baht 8.89 million or 0.66% compared to the same period of the previous year, mostly from clients' demand for secondary products slightly decreased.
2. The gross profit from sales and services had increased of Baht 39.59 million or 17.11% compared to the same period of previous year from several reasons such as,
 - Steel raw material cost, which is the company's main cost, decreased from the previous year and has remained stable until now. The company has a policy to increase the sales target to maintain production efficiency.
 - Gross profit and gross profit margin increased due to adjusting the selling price according to the market prices along with maintaining the gross profit margin at a competitive level.
3. Other revenue decreased by Baht 1.10 million or 3.67% compared to the same period of the previous year. Revenue from selling scrap metal decreased, tax refund from importing raw materials decreased according to sales and services revenue decrease.
4. Distribution Costs increased by Baht 9.49 million or 17.94% from the same period of the previous year mainly due to local shipping costs increased prices and advertising and public relations expenses increased.
5. The administrative expenses increased by Baht 23.90 million or 30.64% compared to the same period of the previous year due to the reserve of doubtful debts.
6. Financial cost – interest expense decreased by Baht 0.09 million or 1.01% compared to the same period of the previous year. The Company purchases raw materials by decreasing the use of credit from financial institutions. Meanwhile, interest rates increase according to market conditions. However, the Company has financial strength and the ability to pay interest and debt.
7. A Corporate income tax increase of Baht 1.99 million or 8.71% from the same period of the previous year due to an increase in operating profit.

Please be informed accordingly,

Sincerely yours,

(Mr. Tanin Tanprawat)

Managing Director