

February 28, 2024

Subject Management Discussion and Analysis for the year ending on December 31, 2023

 To Director and Manager
 Stock Exchange of Thailand

Window Asia Public Company Limited (“the Company”) Board of Directors Meeting No.1/2024 held on 28 February 2024 passed a resolution to certify the financial statement and the performance for the year ended 31 December 2023 which was audited by the auditor.

The Company’s would like to clarify the operating results for the year ended 31 December 2023 as follows:

Unit : THB Million

Profit and Loss	2022		2023		Change	
	Amount	%	Amount	%	Amount	%
Revenue from sales	897.15	100.0	889.97	100.0	(7.18)	(0.8)
Cost of goods sold	(657.48)	73.3	(624.34)	70.2	33.14	5.0
Gross profits	239.67	26.7	265.63	29.8	25.96	10.8
Other revenue	16.20	1.8	12.53	1.4	(3.67)	(22.7)
Profit before expenses	255.87	28.5	278.16	31.3	22.29	8.7
Selling expenses	(110.26)	12.3	(127.24)	14.3	(16.98)	(15.4)
Administrative expenses	(49.30)	5.5	(64.60)	7.3	(15.30)	(31.0)
Other profit (loss)	6.96	0.8	1.40	0.2	(5.56)	(79.9)
Financial expenses	(10.83)	1.2	(14.02)	1.6	(3.19)	(29.5)
Losses on impairment of investments in associate	-	-	(22.32)	2.5	(22.32)	(100)
Share of losses from investment in JV	(9.00)	1.0	(23.68)	2.7	(14.68)	(163.1)
Total expense	(172.43)	19.2	(250.46)	28.1	(78.03)	(45.3)
Profit before income tax	83.44	9.3	27.70	3.1	(55.74)	(66.8)
Income tax	(8.92)	1.0	(6.10)	0.7	2.82	31.6
Net profits	74.52	8.3	21.60	2.4	(52.92)	(71.0)



Management Discussion and Analysis of financial position and performance

For the year ended 31 December 2022 and 2023, the total revenue of the Company amounted to THB 913.35 million and THB 902.50 million, respectively. This includes revenue from sales and other income. In 2022 and 2023, the revenue from sales of the company was THB 897.15 million and THB 889.97 million, respectively. The main factors contributing to the decrease can be attributed to the economic slowdown and increased competition in the market. For other income of the Company, it amounted to THB 16.20 million and THB 12.53 million, respectively. This was primarily income from the sales of aluminum and UPVC scraps, which are residual raw materials from the production process. This change in sales revenue mentioned above resulted in the Company having gross profit of THB 239.67 million and THB 265.63 million, respectively, or a gross profit margin of 26.7% and 29.8%, respectively. The increase in gross profit was due to a decrease in the cost of raw materials for products in the global market, and the net profit amounted to THB 74.52 million and THB 21.60 million, respectively, or a net profit margin of 8.3% and 2.4%, respectively. The decrease in net profit was due to an increase in selling expenses in relation to the Company's advertisement, along with recognizing the share of losses according to shareholding proportion and losses on impairment from the investments in Keha Sukpracha Public Company Limited. of THB 23.68 million and THB 22.32 million, respectively

Revenue from sales

For the year 2023, revenue from sales decreased by THB 7.18 million, or a decrease in a rate of 0.8% compared to the previous years. This decrease can be attributed to the economic slowdown and increased competition in the market, which led to a reduction in sales volume.

Other revenue

For the year 2023, revenue from sales of aluminum and UPVC scraps amounted to THB 8.31 million, which decreased by THB 4.45 million when compared to the previous year. This reduction is attributed to the Company's improved efficiency in the product manufacturing process through adjustments in the raw materials cutting method, resulting in a decrease in leftover aluminum scraps from the production process.

Gross profits

For the year 2023, the Company's gross profit increased by THB 25.96 million, or an increase in a rate of 10.8% compared to the previous year due to a decrease in costs of goods sold during that period. The gross profit margin for the period of 2023 is 29.8%



Selling expenses

For the year 2023, the selling expenses increased by THB 16.98 million, or an increase in a rate of 15.4% compared to the previous year. This increase is attributed to higher expenses related to the Company's public relations activities.

Administration expenses

For the year 2023, administrative expenses increased by THB 15.30 million, or an increase in a rate of 31.0% compared to the previous year. This increase is a result of higher depreciation and amortization expenses from the new office building, including fees and consulting fees and public relations fees, which are expenses related to the initial public offering of additional common shares (IPO) and listing the Company on the Stock Exchange of Thailand (SET).

Net profits

For the year 2023, the Company has net profit decreased by THB 52.92 million, or a decrease in a rate of 71.0% compared to the previous year. This decrease in net profit is a result of increased expenses in selling and administrative costs related to public relations activities as well as recognizing a higher depreciation and amortization expenses, including fees and consulting fees and public relations fees, which are expenses related to the initial public offering of additional common shares (IPO). Additionally, the Company recognized the share of losses and losses on impairment from the investment in Keha Sukpracha Public Company Limited, amounting to THB 23.68 million and THB 22.32 million, respectively.



Unit : THB Million

Balance sheet	December 31, 2022		December 31, 2023		Change	
	Amount	%	Amount	%	Amount	%
Total Assets	1,061.49	100.0	1,196.11	100.0	134.62	12.7
Total Liabilities	564.07	53.1	331.14	27.7	(232.93)	41.3
Total equity	497.42	46.9	864.97	72.3	367.55	(73.9)

As of December 31, 2023, the Company's total assets amounted to THB 1,196.11 million, an increase of THB 134.62 million compared to the end of 2022. The main reasons are attributed to the construction of a new factory building and an increase in cash and cash equivalents which sold additional shares to the initial public offering (IPO). Regarding the total liabilities of the Company, it amounted to THB 331.14 million, a decrease of THB 232.93 million. The Company repaying short-term and long-term loans from financial institutions from the proceed from the offering of common shares. For the shareholders' equity, it amounted to THB 864.97 million, which was an increase of THB 367.55 million due to the company receive a paid-up share capital 244.2 million ordinary shares at a par value of Baht 0.5 per share from an initial public offering ("IPO") at a price of Baht 2.1 per share, totaling Baht 512.82 million. The company recorded expenses in respect of shares distribution amount of Baht 18.8 million as a deduction to the share premium. The Company's net profit for the period ended 31 December 2023 was THB 21.60 million and the Company paid dividends to shareholders of THB 148.07 million.

Please be informed accordingly.

Yours sincerely,

-Patinun Tuntivasin-

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(Miss Patinun Tuntivasin)

Chief Financial Officer

Window Asia Public Company Limited